

FBIS

DAILY REPORT

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NAKASONE HOLDS NEW YEAR PRESS CONFERENCE .

OW010909 Tokyo NHK Television Network in Japanese 2330 GMT 31 Dec 84

[Japanese Prime Minister Yasuhiro Nakasone's prerecorded New Year press conference held at his official residence -- date of recording not given]

[Excerpts] [Unidentified reporter] Mr Prime Minister, we wish you a happy New Year. We would like to begin by asking you your reflections on the past year and your hopes and feelings for the New Year.

[Nakasone] First of all, on ushering in the New Year, I wish from the bottom of my heart that the New Year will be prosperous and happy for the whole nation. In particular, I think 1985 will be a milestone in history -- it marks the 60th year of the showa era; it also marks the 40th year since the end of World War II and the 100th year since the cabinet system was introduced, in 1885. In this sense, the New Year will be a major milestone in history. Therefore, I want to make the New Year a year to make a firm, full-dress start toward the 21st century. I want to make it meaningful as a year of historic significance.

[Unidentified reporter] With a pay raise scheduled for government employees, defense spending in the new fiscal year is bound to exceed the 1-percent-of-GNP ceiling. Are you considering proposing a new limiting framework or presenting your idea about limiting defense spending to the public sometime during the current fiscal year?

[Nakasone] As far as the fiscal 1985 budget is concerned, defense spending is held below the 1-percent limit as I have publicly pledged. However, we cannot predict what will happen in the course of the new budget year, because whether the current ceiling will be maintained will depend on the recommendation of the National Personnel Authority and the scope of the economic prosperity and the growth of Japan's productivity and GNP. Therefore, I cannot give a definite answer now. However, if various problems arise in the future, I will consider the matter at that time and try to get public understanding.

[Unidentified reporter] My question concerns your visit to the United States. Mr Prime Minister, you are about to leave for the United States for a meeting with President Reagan as your first course of business in the New Year. What is your basic stance for this meeting?

[Nakasone] I will leave for Los Angeles tonight with Foreign Minister Abe for talks with President Reagan which begin tomorrow. It is meaningful that the leaders of Japan and the United States will meet to discuss various world problems at the start of the New Year. The world is watching this meeting, which I believe, will have a great global impact. It is with this thought in mind that I decided to leave on New Year's Eve.

The Japanese prime minister and the U.S. President will discuss in-depth how to promote world peace and disarmament and how to maintain sustained prosperity without inflation. Japan and the United States together account for 30 percent of the world's gross product. I believe identity of views between the leaders of our two Pacific countries, which account for 30 percent of the world's gross product, will have a great impact on peace, stability, and prosperity of the whole world.

In particular, solid friendship and cooperation between the United States and Japan is the key to the peace and security of Asia, as well as world peace. With this in mind, I made friends with President Reagan and share friendship with him. I will go to Los Angeles to further strengthen this relationship, with the hope that both of us will become, though this may sound a little exaggerated, pillars for world peace and prosperity. I will hold talks with him on the basis of friendship, trust, and responsibility.

[Unidentified reporter] I understand that peace and disarmament are high on the agenda for the talks. Do you have any concrete proposals aimed at resuming U.S.-Soviet dialogue and promoting disarmament negotiations?

[Nakasone] Since our talks will be a summit meeting, we will discuss basic aspects of these issues from a broad perspective and try to reach an agreement. U.S. Secretary of State Shultz and Soviet Foreign Minister Gromyko are scheduled to meet in Geneva on 7-8 January to discuss problems of peace and disarmament. Prior to this meeting, Shultz will visit Japan to hold talks with Foreign Minister Abe. In my opinion, the Abe-Shultz meeting will have an impact on efforts to push through dialogue between the United States and the Soviet Union; therefore, it will be a significant meeting. I think the timing for this meeting is very good.

In my talks with the President, we will have thorough discussions on basic questions from a broad viewpoint so that we can align the wheels of the two countries. Subsequently, we will exchange information on specific issues from time to time and consult with each other as occasions arise. In this way, I would like to pave the way for solving problems and leading the world to our goal of peace and prosperity.

[Unidentified reporter] The issue of Pacific cooperation emerged early as a possible topic suitable for the New Year summit. How far will this issue actually be covered?

[Nakasone] It is a welcome development that the United States has begun to look at the Pacific. Los Angeles, the site of the talks, is on the Pacific coast and suitable for the summit. Naturally, I expect that problems of the Pacific to be brought up at the meeting. As I have said all along, Japan and the United States should avoid taking the lead and becoming conspicuous. There are many other countries, such as the ASEAN countries, South Pacific island nations, Australia, New Zealand, Canada, and the Latin American countries. We expect the ASEAN countries to take the initiative. There is the system of the enlarged ASEAN foreign ministers conference as an adjunct to the ASEAN foreign ministers conference. The foreign ministers of Canada, the United States, Japan, Australia, and New Zealand attend the enlarged ASEAN foreign ministers conference along with their ASEAN counterparts. I think it is proper to discuss problems concerning Pacific cooperation at this enlarged conference, and the countries concerned should consider the issue along this line.

At any rate, we should proceed by placing private-level exchanges and cooperation in the Pacific in the center and having various governments encourage and support these efforts. Pacific cooperation should not be exclusive. The desirable form of cooperation is one that is based on the idea that all areas, including Europe, the Mediterranean, and the Atlantic and Indian Oceans, will work together to promote Pacific cooperation. For the time being, I hope the ASEAN foreign ministers conference will gradually discuss exchange of information and, depending on circumstances, problems concerning science, technology, and communications, in addition to personnel exchange which was already taken up at the previous enlarged ASEAN foreign ministers conference. Therefore, President Reagan and I will discuss the matter so that the ASEAN foreign ministers conference will take the front seat and things will be handled under ASEAN leadership.

[Unidentified reporter] Between Japan and the United States, the U.S. trade deficit is a major issue. How are you going to cope with this? It seems the United States is very irritated. Do you have any particular gift to take with you in this connection?

[Nakasone] This issue is a headache. As things now stand, Japan's trade surplus with the United States is likely to exceed \$30 billion. Therefore, the United States is naturally worried about it. It is quite possible that newly elected congressmen will be very concerned about this. Partly in anticipation of this reaction, in December we announced a plan to move up by 2 years the tariff reduction schedule agreed upon at the Tokyo round of the multilateral trade negotiations. For farm products, we decided to move the schedule up by 1 year, but for some items, the schedule has been moved up by 2 years. We have done this ahead of other countries. No other country has followed suit. In this way we have shown our sincerity.

However, since there are diverse problems between Japan and the United States, I think it is a good idea to establish a bilateral mechanism or channel of consultation, such as talks between senior officials or ministers of the two countries, and solve problems one by one through this mechanism in a rational manner. We will talk about this idea. Japan for its part will make further judicious efforts to open its doors wider and further clarify the standard certification system; in other words, bring it up to the level commonly accepted in the world.

[Unidentified reporter] Mr Prime Minister, we understand that the question of U.S.-Soviet dialogue will be one of the topics in your talks with Reagan. In this connection, tell us about Japan's foreign policy vis-a-vis the Soviet Union and the basic stance Japan will take this year and beyond in this regard?

[Nakasone] Concerning our policy toward the USSR, there is no change in our consistent stand that we will move forward toward the goal of signing a peace treaty after settling the territorial issue. As I have said, the tougher the opponent, the more we will need dialogue and patience in negotiations and better communications. This is the key to successful diplomacy. Based on this philosophy, I will endeavor to further promote our dialogue with the Soviet Union. In our relations with the USSR, there is the important territorial issue which cannot be bypassed and about which our people are always concerned. On the other hand, however, we have the fishing problem and a host of other problems including cultural exchanges. Consequently, it is necessary for both sides to make mutual efforts to resolve these problems. Meanwhile, I find it very fortunate that there have been greater opportunities for dialogue and exchange between the two countries since last fall as seen in the round-table conference and the visits to Japan by Politburo member Kunayev and Deputy Foreign Trade Minister Sushkov. A specialists meeting is also scheduled for January. I would like to maintain this momentum and push the dialogue forward in the direction of the goal which I have just mentioned.

[Unidentified reporter] The regular Diet session will resume in late January. With opposition parties apparently prepared to take positions for further confrontation, what is your basic posture in dealing with them?

[Nakasone] The year 1985 marks the 40th anniversary of the end of the war and the centennial of the nation's cabinet system. With this in mind, we must take another look at such things as democracy, freedom and human rights, and the respect for law and order, which we acquired following the end of the war, in the light of our experiences in the 40 years since then.

Based on such a review, we should ponder on how to further build the nation's democracy, how to correct shortcomings that have been observed, and how to deal with problems involving the Diet and politicians.

I will endeavor to bring about cooperation and consensus between the ruling and opposition parties wherever possible. Lately, as seen in the handling of the Telegraph and Telephone Public Corporation bill and other bills, the ruling and opposition parties have agreed more frequently on amendments or on supplementary conditions to ensure their passage. This indicates very significant progress. I feel that the ruling and opposition parties should further endeavor to find where they can agree with each other, or to cooperate with each other to find where the people's consensus lies, as representatives of the people. I feel that 1985 will be a good year if we are able to further promote such cooperation based on party politics and policies. I believe that whatever the ruling and opposition parties do, the great principle of democracy demands that they do it on the basis of policy and before the eyes of the people.

[Unidentified reporter] It seems that the issue of the lower house dissolution is still simmering. Would you comment on this?

[Nakasone] There is no need to dissolve the House of Representatives under the current circumstances. I am not even thinking about it. Please feel at ease.

NAKASONE ARRIVES IN LOS ANGELES FOR SUMMIT

OW020523 Tokyo KYODO in English 0501 GMT 2 Jan 85

[By Antonio Kamiya, KYODO staff reporter]

[Text] Los Angeles, Jan. 1 KYODO -- Prime Minister Yasuhiro Nakasone arrived here Tuesday for a day of "quiet talks" with President Ronald Reagan aimed at demonstrating to the world the close partnership of the two Pacific allies. The city of Los Angeles rolled out the red carpet for the prime minister, and Tom Bradley, the Los Angeles mayor, handed Nakasone the city key in a brief airport welcoming ceremony.

Also on hand to welcome the prime minister were Catherine Murdock, acting chief of protocol at the State Department; Paul Wolfowitz, assistant secretary of state for Far Eastern and Pacific affairs; Ambassador to Japan Mike Mansfield, and other American officials.

The New Year summit, the first since both men won their second term in office last November, will take place in this West Coast city Wednesday morning (early Thursday morning Japan time). Foreign Minister Shintaro Abe, who will join in Nakasone-Reagan meeting, will have separate talks with his American counterpart, Secretary of State George Shultz, before the summit. The summit talks are expected to underscore the solidarity of the West as the United States and the Soviet Union resume arms control talks later this year.

Nakasone, speaking to reporters aboard a Japan Air Lines special plane, said he plans to seek out the American stand on the arms controls talks so as to make the Japanese position clear. Shultz will meet with his Soviet counterpart, Foreign Minister Andrey Gromyko, in Geneva next week in a bid to lay out the ground rules for the arms control talks.

Wednesday's summit meeting will also cover bilateral relations, notably the trade and economic ties between two countries. Referring to the knotty trade relations, Nakasone emphasized the need for patience. "Haste is not warranted," he said. "What is important is to build a relationship of stability and full of vitality."

Nakasone is, however, expected to assure the Americans of his government's efforts to reduce the huge U.S. trade deficit with Japan, which was estimated to top 35 billion dollars in 1984. Also, both Nakasone and Reagan, the two professed free traders, are expected to commit their governments to keep the world free trade system intact and to work for sustained global economic growth.

While the American side is expected to put more emphasis on bilateral trading relations, Nakasone said he hopes the summit will provide the setting for "quiet talks on world peace and prosperity." "1985 is an extremely important year (for world peace), and we hope to make this year a historical year for the entire world," he said.

Nakasone, who has built a warm personal rapport with Reagan, is upbeat about the outcome of his fifth meeting with U.S. President, saying he hopes the talks will be "substantive and fruitful." Nakasone and Reagan are scheduled to meet for about three hours at Hotel Century Plaza, including a working luncheon. The prime minister will then meet with members of the local Japanese community and speak at a news conference before going to Hawaii for two days of rest. Nakasone returns to Japan on Friday.

ATTACK ON U.S. KOBE CONSULATE 1 JAN REPORTED

OW011315 Tokyo NHK Television Network in Japanese 0626 GMT 1 Jan 85

[Intercepted in progress]

[Text] On the road west of the U.S. Consulate General, a bang sound was heard and white smoke went up. A police officer on patrol duty examined the spot and found plastic pieces scattered on the road. Also found on the consulate yard were what appeared to be two rocket bombs, each about 40 centimeters long and 5 centimeters in diameter and a plastic tube at the end. There were no casualties. As a result of police searches of the vicinity, three pieces of planks were found placed against a bench in a park 150 meters to the east. Attached on them were steel pipes which appeared to be a firing device. A timer, presumably for firing, was also found.

In connection with this incident, a person with a male voice and identifying himself as a member of the Revolutionary Army of the Chukakuha Group, telephoned to the NHK in Tokyo a little before noon today claiming responsibility for the attack on the Consulate in Kobe. With Prime Minister Nakasone leaving for the United States today, police are investigating the incident, viewing it as the work of a radical group against the Japan-U.S. summit.

CENTRAL BANK GOVERNOR URGES STRONGER YEN

OW020539 Tokyo KYODO in English 0523 GMT 2 Jan 85

[By Masakatsu Kurita, KYODO staff writer]

[Text] Tokyo, Jan. 2 KYODO -- The head of the Japanese Central Bank Wednesday deplored the Japanese yen as remaining "undervalued and unstable" against the U.S. dollar largely because of various factors in the United States, and vowed to create circumstances leading to a stronger yen and avoid any measures to lower the yen's value. Satoshi Sumita, newly appointed governor of the Bank of Japan, told KYODO NEWS SERVICE in a New Year interview that the huge U.S. budget deficit is partly responsible for a stronger dollar, and hoped the U.S. will take steps to improve the situation for a "gradual soft-landing" toward a cheaper dollar.

He said the present weak yen against the U.S. dollar is largely attributable to the economic and political stability of the U.S. and the persistently big gap between Japanese and U.S. interest rates, now hovering around some 5 percent. He stressed it is a basic task for the Central Bank to "stabilize the yen at a higher level" but at the same time it is important to make "steady and ready efforts" to allow wider foreign access to the Japanese markets.

Trade friction between Japan and the U.S. is expected to continue in the future in view of the size of the two giant economies and Japan's huge trade and current-account surpluses, Sumita said. "We cannot expect much from measures to stimulate domestic demand in reducing the Japanese surpluses, but we are always intending to achieve the yen's exchange value appropriate to the role being played by the Japanese economy in the international community," he noted. He said domestic demand in Japan is expected to grow faster this year than last year but it is "inadvisable and even wrong" to expect demand-pumping measures.

Asked about the recent U.S. official discount rate cut to 8 percent, the central banker said: "Japan is under no circumstances to allow us to discuss a discount rate cut (now 5 percent) in view of the unstable exchange rate of the yen, which tends to decline, and the 5 percent gap in Japanese and U.S. long-term interest rates." He reiterated his belief that liberalization of the Japanese financial and capital markets and internationalization of the yen are "no doubt a natural course" Japan should take in view of its role to be played in the international community. "For the time being, we will try to liberalize interest rates on bank deposits -- those on large-amount deposits at the outset -- without delay, followed by small-amount deposits, including postal savings," he stressed. Liberalization of interest rates on postal savings, which are under the jurisdiction of the posts and telecommunications ministry, is "a prerequisite" to doing so, he said. "Post offices running postal savings are now the largest financial institution in the world and they should cooperate with private banks with good sense and self-consciousness."

Declaring the "primary mission" of the Bank of Japan is to "maintain the value of the Japanese currency and stabilize prices," he said it is increasingly important for the Central Bank to judge the domestic and overseas situations "in an overall perspective" in implementing Japan's financial policy. In this connection, he said the Bank of Japan intends to expand Japan's financial markets, especially an open market, where it can influence interest rates properly through adjustment of its financial policy tools. "It is becoming more and more important to create a financial system where the Central Bank can change the money supply and demand through open market operations," he noted.

Sumita warned Japan's snowballing outstanding balance of national bonds, expected to total 133 trillion yen (540 billion dollars) at the end of fiscal 1985 ending in March 1986, threatens to rekindle inflation at home. To avoid this, he said it is "imperative" for the government to reduce new public bond issues "steadily every year" and facilitate "digestion" of existing bonds. He believed the external debt issue facing Third World nations is generally kept from exploding thanks to the self-help efforts of the debtor nations and international cooperation. "But it will take a long time before the issue can be settled once and for all, and it is always important for us to cooperate with these countries," he said. The governor said he is planning to visit the U.S. in January for talks with U.S. Federal Reserve officials, followed by similar visits to European countries. "The purpose of these visits is to explain to them that I will follow the path set forth by my predecessor, Haruo Maekawa," he added.

JSP LEADER TO ACCEPT INVITATION TO MOSCOW

OW291059 Tokyo KYODO in English 0918 GMT 29 Dec 84

[Text] Tokyo, Dec. 29 KYODO -- Japan Socialist Party leader Masashi Ishibashi said Saturday he would accept a Soviet invitation to visit Moscow. In a taped interview with Japan Broadcasting Corp. (NHK), to be aired later, Ishibashi said he would go when the time was best for Japan, the Soviet Union, the Soviet Communist Party and his own party. The Kremlin has invited the leader of Japan's No 1 opposition party to visit the Soviet Union. Ishibashi has visited the United States and North Korea this year.

COMRADE KIM IL-SONG'S NEW YEAR ADDRESS

SK010425 Pyongyang KCNA in English 0406 GMT 1 Jan 85

[Text] Pyongyang January 1 (KCNA) -- The great leader Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, delivered a New Year address, seeing in 1985. Follows the full text of the New Year address:

Comrades,

Having seen out the year of victory in the worth-while struggle for the revolution and construction, we are greeting the first morning of a hopeful New Year 1985. On the occasion of the New year, I should like to offer warm congratulations and greetings to all our people, to the brothers in the South, to our compatriots in Japan and to all other overseas Koreans, who are striving for socialist construction and for the revolutionary cause of *chuche* for the reunification of the country and the national prosperity.

Today, greeting the New Year with a new hope and a high ambition, all our people are joyfully looking back upon the past year which was replete with proud victories and momentous events, and are fervently resolved to accelerate the revolutionary struggle and the work of construction this year.

The year 1984 was a historic year when the international solidarity with our revolution was further cemented as a result of the energetic external activities of our party and of the government of the republic. Their basic ideas of external activities consist in independence, friendship and peace. Last year, firmly maintaining *chajusong* in external activities, we made strenuous efforts to develop the relations of friendship and cooperation with many countries around the world and to safeguard world peace and security.

Last year our party and state delegation paid official friendship visits to the Soviet Union and other socialist countries in Europe in order to strengthen friendship and solidarity with these fraternal countries, to develop interchange and cooperation with them and to share with each other the experience gained in the building of socialism. The delegation's visits were made successfully, receiving cordial hospitality and warm welcome from the peoples and leaders of the fraternal countries and brought about satisfactory results. Our delegation's historic visits to the Soviet Union and other socialist countries in Europe powerfully demonstrated the unity and solidarity of the socialist countries and the international communist movement and developed the friendly and cooperative relations with the fraternal parties and countries onto a higher stage.

Last year an important milestone was set up in the development of our friendly relations with the People's Republic of China, a brotherly neighbour of ours. In May of last year, Comrade Hu Yaobang, general secretary of the Central Committee of the Communist Party of China, visited our country and adorned Korea-China friendship beautifully by carrying with him the friendly feelings of the 1,000 million Chinese people and some time ago we paid an informal visit to the People's Republic of China, and had momentous opportunities of meeting its high-ranking leaders and talking with them in a comradely and friendly atmosphere. Through mutual visits, contacts and talks, comradeship and intimate relations between the leaders of Korea and China have further deepened, and the traditional Korea-China friendship has developed in depth.

As in the past, so also in the future, our party and the government of the republic will work hard to promote friendship and solidarity with all the socialist countries of the world and to develop economic and technical interchange and cooperation with them. Last year our friendly and cooperative relations with the Third World countries including the non-aligned nations made further progress.

Heads of state and high-ranking delegations of many Third World countries visited our country, and a number of our delegations visited numerous countries. As a result, the external relations of our republic extended, and the bonds of friendship between our people and the peoples of newly-emerging countries became closer. Last year, in an effort to effect South-South cooperation, our party and the government of the republic took active measures for cooperation in agriculture with many African countries. This marked a very important event which opened up a new prospect of South-South cooperation.

South-South cooperation is an important matter in abolishing the old international economic order, in establishing a new one and also in bringing economic self-support to the developing countries. If they unite and effect South-South cooperation, the Third World countries will be able to get free from starvation and poverty by solving the food problem without being indebted to big countries. They will also be able to wipe out diseases by developing public health service and successfully solve various difficult and complicated problems arising in the building of a new society.

In future our party and the government of the republic will develop cooperation and exchange with many more Third World countries in various sectors including agriculture and will strive to broaden South-South cooperation by joining efforts with all the developing countries.

Our party and the government of the republic will develop friendly relations, on the principle of equality and mutual benefit, with all countries which respect our country's sovereignty and take a friendly approach to us.

Our people set store by peace and want to live in a peaceful world. In firm unity with all the peace-loving peoples of the world, we shall fight resolutely to check and frustrate the imperialists' reckless manoeuvres to unleash a new war and their policy of military buildup, and to safeguard world peace and security.

On the occasion of the New Year, I extend warm congratulations and greetings to the peoples and friends of all countries including the peoples of the fraternal socialist countries and the non-aligned countries who actively support and encourage the revolutionary cause of our people.

Ending national division and reunifying the country is the most urgent task of our people today. With a view to easing the tension in our country and creating the preconditions for independent and peaceful national reunification, last year our party and the government of the republic made a new proposal for a tripartite talk between the Democratic People's Republic of Korea, the United States and South Korea and worked hard to put it into effect. Because of its justness, our proposal for the tripartite talk enjoys full support from all the people in North and South Korea and from our compatriots abroad and had evoked a great response among the world's people.

This proposal has produced no tangible results because the other side has not yet shown a positive attitude to it. But we will continue to make patient efforts to put it into practice. Since it is a party responsible for the solution of the Korean question, the United States ought to accept our proposal as soon as possible.

We must realize the tripartite talks between our republic, the United States and South Korea and thus replace the Korean Armistice Agreement with a peace agreement so as to ease the tension in our country, remove the danger of a new war and ensure a durable peace. By means of this talk we will also adopt a declaration of nonaggression between the North and the South, thereby putting an end to the arms race and military confrontation between them and creating conditions and environments for the peaceful reunification of the country.

Last year our party and the government of the republic strove for contacts and dialogues between the North and the South, in accordance with the noble idea of independence, peaceful reunification and great national unity manifested in the July 4 North-South joint statement. Our republic, which has never forgotten the people in South Korea, took compatriotic measures last year to send the relief goods of best wishes to the flood victims in South Korea. The implementation of these relief measures created an atmosphere of contacts and dialogues between the two parts of the country and made a breach in the barrier which had stood between them for a long time. In this context, North-South negotiations on economic affairs and contacts between Red Cross organizations were effected. This is an event of great significance in easing the tension in our country, in achieving national harmony and unity and in paving the way to peaceful national reunification.

Active dialogues and extensive cooperation and exchange between the North and the South will enable them to join efforts to develop the national economy in a coordinated way and attain national prosperity in all spheres. Our party and the government of the republic will make every sincere effort to ensure that the negotiations on economic affairs and Red Cross talks which have been held on our initiative after a long interval will bear good fruit, and that extensive negotiations and many-sided cooperation and exchange between the two parts of the country will become a reality.

If the North-South dialogues proceed successfully to meet the expectations of the people and in accordance with the idea of national reunification, these will develop gradually onto higher-level talks and, further, culminate in high-level political negotiations between North and South. The people in the northern half of the republic and South Korea and all the overseas compatriots must realize as soon as possible the national aspiration for the country's reunification by achieving great national unity in the spirit of the July 4 North-South joint statement and by struggling with the concerted effort of the whole nation.

Last year the youths and students and other people in South Korea valiantly fought to bring independence and democracy to the South Korean society and to hasten national reunification. I should like to extend firm solidarity and brotherly support and encouragement to the just struggle of the patriotic youths and students and the rest of the people in South Korea.

This year the Koreans in Japan greet the 30th anniversary of the formation of the Chongnyon (the General Association of Korean Residents in Japan). This year the workers of the Chongnyon and other compatriots in Japan must work hard to strengthen the Chongnyon organization, develop its patriotic work to a higher stage and to accelerate the independent and peaceful reunification of the homeland in firm unity with all the other overseas compatriots.

Comrades,

Last year our people launched a powerful campaign to create "the speed of the 80's" in hearty response to the party's militant call and made a great success in socialist economic constructions. Thanks to the devoted efforts of our heroic working class and the rest of the working people who are boundlessly faithful to the party and the revolution, last year's national economic plan was fulfilled successfully, the internal structure of many sectors of the national economy further improved and productive capacity increased considerably.

Last year those who had been mobilized in the great nature transformation projects and the city constructors completed large-scale difficult works successfully and erected many monumental edifices. The heroic constructors of the Nampo Lock Gate, the Taechon power station and the northern railway sped up their building operations by bravely overcoming unfavourable natural conditions in a higher revolutionary spirit of self-reliance and fortitude, and fully displayed the indomitable fighting spirit of the Korean youth loyal to the party's call. Last year our industrious agricultural working people, under the leadership of the party, triumphantly reached the goal of ten million tons of grain by thoroughly implementing the *chuche* farming method. This brilliant success in agriculture clearly demonstrates the correctness of our party's agricultural policy and the invincible vitality of our socialist agricultural system.

I express my warm thanks to all the people -- the workers, farmers, soldiers and working intellectuals -- who made last year great achievements in all spheres of the revolution and construction by giving full play to their loyalty to the party and the revolution. 1985 is a meaningful year that greets the 40th anniversaries of fatherland liberation and our party's founding.

It is already 40 years since the historic cause of national liberation was achieved and our party was founded -- the events which enveloped the whole country with seething joy and happiness. During the past 40 years our party and people have traversed a revolutionary path of shining victories and glory and built a people's paradise good to live in on this land of forefathers.

This year we must give rise to an upturn in the revolution and construction so as to highlight the 40th anniversaries of fatherland liberation and party founding as a great festival of victors. The Workers' Party of Korea is a seasoned General Staff of our revolution. This year when we will celebrate its 40th anniversary, we must further strengthen this glorious party and add lustre to its magnificence.

All the party members and working people must firmly arm themselves with our party's revolutionary idea and resolutely struggle to achieve the revolutionary cause of *chuche* under the banner of the party.

Greeting the 40th anniversary of national liberation this year, we must further increase the might of our socialist system which has been set up and developed by hard-fought struggle and must display its superiority to the full. If we are to strengthen the might of our socialist system, we must vigorously carry on the three revolutions -- ideological, technical and cultural. By forcefully pushing ahead with the technical and cultural revolutions simultaneously while giving definite priority to the ideological revolution, we should make long strides in revolutionizing, working-classing and intellectualizing all members of society and in making the national economy *chuche*-oriented, modern and scientifically-based.

An efficient construction of the socialist economy is a guarantee for increasing the might of the socialist system and for giving full play to its advantages. The tenth plenary meeting of the sixth Central Committee of the Workers' Party of Korea discussed the national economic development plan for 1985 and appealed to the whole party and all the people to fight to implement the plan. All party organizations, the entire party membership and the working people must bring about a new turn in socialist economic construction this year by working hard to implement the decision of the plenary meeting of the party Central Committee.

This year we must keep the mining industry and the railway transport well ahead of all other sectors, sharply increase the output of iron and steel and keep production going steadily at a high level by efficiently operating all factories and enterprises. The agricultural sector must make vigorous efforts to consolidate the success achieved last year and develop agricultural production onto a new stage. The workers in this sector must strive to improve seed production, increase the fertility of soil, modernize agricultural production and expand the area under cultivation.

The superiority of the socialist system must be shown in the people's standard of living. This year we must markedly improve the people's standard of living by mobilizing the existing productive potential and all other possibilities to the full. We should ensure a full operation of all light industrial factories so as to increase the output of high-quality consumer goods, and set up a large number of daily necessities workshops and workteams in factories and enterprises and also widely organize home workteams and sideline workteams in towns, workers' districts and cooperative farms so as to increase the output of daily necessities including miscellaneous goods and foodstuffs.

In order to construct the socialist economy successfully, we need to improve the direction of economic affairs and the management of enterprises. The officials in charge of the economic sectors should give definite priority to political work over all other work as required by the Tae'an work system and properly use economic levers to facilitate the correct application of a cost-accounting system, thereby managing the economy in a scientific and efficient way. The revolutionary tasks facing us this year are very honourable and worthwhile, and requires the whole party and all the people to make strenuous efforts. All the party members and the working people must rise to the occasion as one and fight courageously to adorn the eventful year of 1985 as the most brilliant year in the history of our country.

Let us all endeavour energetically to win a new victory in the building of socialism and to accelerate the independent and peaceful reunification of the country, firmly united behind the party Central Committee, under the unfurled banner of the chuche idea.

PROTEST LODGED AT MAC SECRETARIES MEETING

SK011357 Pyongyang Domestic Service in Korean 0900 GMT 1 Jan 85

[Text] At the request of our side, a meeting of security officers to the Military Armistice Commission was held at Panmunjom on 31 December 1984. At the meeting our side lodged a strong protest with the enemy against the U.S. imperialist aggressors' collective and premeditated provocations against our side in the area of the Panmunjom conference room, and called them to account.

According to the words of our security officer at the meeting, four U.S. Army guards approached to a point near the Military Demarcation Line [MDL] from the court below their observation post southeast of the MAC conference room at around 0900 on 29 December, stood there in a line together, and shouted insults and made threatening gestures toward guards of our side before taking flight. Shortly thereafter, five U.S. Army guards reappeared there to commit similar provocation.

Exercising self-restraint, security personnel of our side urged them to go back, using words and gestures. In response, the guards of the enemy side shouted at the personnel of our side to come with gestures, and even feigned acts of shooting, patting their pistol cases. A U.S. Army guard led four puppet guards there and made them shout and clap, while standing in a line facing our side. At around 1203, about 3 hours later, a U.S. Army guard standing on the left side of the MAC conference room engaged in such a provocation as making gestures using fists, butting with their heads, and kicking someone toward the guard personnel of our side on the opposite side. As such, the provocative acts committed by the Army guards of the U.S. imperialist aggression forces assume a collective and organizational character.

Noting that the situation in the MAC conference room area now is more tense than ever before, because of the shooting incident they committed on 23 November, the security officer of our side said that the enemy repeatedly committed provocative acts of an organized character at a time like this and that these provocative acts show that the U.S. imperialists and the South Korean puppets are premeditatedly scheming to further strain the situation in this area.

The security officer of our side continued: Easing the tension being created in the Joint Security Area is an important question in ensuring security and order in this area and ensuring routine activity of the MAC and the Neutral Nations Supervisory Commission. What is more, the fact that North-South talks will be reopened in this area in January and delegations of the North and South will come and go through this area urgently requires that the tension in this area be eased. Nevertheless, the U.S. imperialists and the South Korean puppets are still aggravating the tension while committing unusual acts in the Joint Security Area. The guards of the enemy side are hampering the guard personnel of our side in their duty by committing such dirty acts as shining electric lights in their faces. In addition, the enemy is daily introducing into the area many more armed personnel than agreed upon.

As has already been exposed at meetings of the MAC secretaries and MAC meetings, the enemy mercilessly killed our security guards at Panmunjom on 23 November by committing a shooting incident. This was a premeditated provocation aimed at rupturing the dialogue between the North and South. As a result, the dialogue between the North and South was postponed for a month.

Saying that the enemy once again committed provocative acts in succession, the security officer of our side questioned the enemy as to whether they meant to put another stumbling block in the way of the forthcoming North-South dialogue by committing such acts. Saying that it is entirely thanks to the patience of our guards that security in the Panmunjom conference room area is maintained even in such a state as it is today despite the enemy's continued provocations, the security officer of our side said that the enemy should not miscalculate regarding our sincere efforts to maintain security and order in this area and to ease the situation and should act judiciously by looking squarely at the present trend.

In conclusion, the security officer of our side stressed: If the enemy side continuously devotes itself to provocative acts despite our warnings, it will have to take full responsibility for all the consequences arising therefrom.

KIM YONG-NAM RETURNS FROM FOREIGN VISITS

SK010513 Pyongyang KCNA in English 0453 GMT 1 Jan 85

[Text] Pyongyang January 1 (KCNA) -- Vice-Premier and Foreign Minister Kim Yong-nam and his party returned home on December 31 by plane after visiting the German Democratic Republic, Bulgaria and Romania. He also visited Iran as head of a DPRK Government delegation.

He and his party were met at the airport by Vice-Premier Hong Song-yong and First Vice-Minister of Foreign Affairs Yi Chong-mok. Also present at the airport were the GDR, Bulgarian and Romanian ambassadors, the charge d'affaires ad interim of the Iranian Embassy, the Soviet and Chinese ambassadors in Pyongyang. The delegation left Tehran on December 30 after concluding its visit to Iran.

On its way home it stopped over in Beijing. On December 31 Vice-Premier and Foreign Minister Kim Yong-nam met Wu Xueqian, state councillor and foreign minister of China, in Beijing. A conversation took place in a friendly atmosphere.

KIM IL-SONG GREETES SUDAN'S NUMAYRI ON ANNIVERSARY

SK020550 Pyongyang KCNA in English 1505 GMT 31 Dec 84

[Text] Pyongyang December 31 (KCNA) -- President Kim Il-song on December 31 sent a message of greetings to Ja'far Mohammad Numayri, president of the Democratic Republic of the Sudan. The message reads:

On the occasion of the 29th anniversary of the independence of the Sudan I extend my warm congratulations, on behalf of the government of the Democratic People's Republic of Korea, the Korean people and on my behalf, to Your Excellency, your government and people.

Convinced that the friendship and cooperation between our two countries will further develop, I take this opportunity to wish you and the Sudanese people great successes in your work for the country's progress and prosperity.

KIM MESSAGE TO 'ARAFAT ON REVOLUTION ANNIVERSARY

SK311114 Pyongyang KCNA in English 1051 GMT 31 Dec 84

[Text] Pyongyang December 31 (KCNA) -- President Kim Il-song sent a message of greetings Monday to Yasir 'Arafat, chairman of the Executive Council of the Palestine Liberation Organization and commander-in-chief of the Palestinian Revolutionary Armed Forces. The message reads:

I, on behalf of the Government of the Democratic People's Republic of Korea, the Korean people and on my own, extend warm felicitations and militant greetings to you, and through you, to the Palestine Liberation Organization, the Palestinian people and the Palestinian resistant fighters on the 20th anniversary of the start of the Palestinian revolution.

The Palestinian people and the resistant fighters under the leadership of the PLO, their sole legitimate representative, have undauntedly fought against the U.S. imperialists and the Zionists up to this date since they rose with arms in their hands to win the freedom and liberation of the country.

In the course of an arduous revolutionary struggle the Palestinian liberation fighting forces have markedly grown and the cause of the Palestinian revolution now enjoys unreserved support from many countries of the world for its justness.

The Palestinian people are sure to win final victory in their just struggle to retake their lost homeland and restore their legitimate national rights including the right to return home and the right to establish an independent state. The Korean people have always actively supported and encouraged the Palestinian people's struggle and will, in the future, too, stand firm on the side of the fighting Palestinian people.

I am convinced that the militant friendship and solidarity between the Korean and Palestinian peoples will further strengthen and develop through the common struggle against imperialism and its stooges.

KIM IL-SONG SENDS GREETINGS MESSAGE TO CASTRO

SK311013 Pyongyang KCNA in English 1003 GMT 31 Dec 84

[Text] Pyongyang December 31 (KCNA) -- Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, December 31 sent a message of greetings to Fidel Castro Ruz, first secretary of the Central Committee of the Communist Party of Cuba, president of the Council of State and president of the Council of Ministers. The message says:

On the occasion of the 26th anniversary of the victory of the Cuban revolution I extend warm felicitations in the name of the Central Committee of the Workers' Party of Korea, the Government of the Democratic People's Republic of Korea and the Korean people and in my own name to you and to the Central Committee of the Communist Party of Cuba, the Government of the Republic of Cuba and the Cuban people.

After the victory in the revolution the Cuban people have vigorously advanced along the road of the socialist development in the continued fierce struggle against the class enemy within and without have achieved great success in transforming the economy and country. The Korean people sincerely rejoice over the brilliant victory and successes registered by the fraternal Cuban people in the revolution and construction.

Today the Cuban people, united close around the Communist Party of Cuba headed by you, are actively endeavouring to increase the defence power and defend their motherland and revolution, peace and freedom from the daily intensified new aggressive moves of the U.S. imperialists and to further promote socialist construction. We extend full support to and solidarity with your just struggle and sincerely wish you and your people a greater success in future endeavours for implementing the decision of the Second Congress of the Communist Party of Cuba.

I am convinced that the friendly and cooperative relations between our two parties, countries and peoples will be further consolidated through the common struggle to win victory of the cause of peace and socialism and expand and develop the Non-aligned Movement on the road of anti-imperialism and independence.

KIM GREETES CHONGNYON CHAIRMAN ON NEW YEAR

SK020524 Pyongyang KCNA in English 0512 GMT 2 Jan 85

[Text] Pyongyang January 2 (KCNA) -- The great leader Comrade Kim Il-song, president of the Democratic People's Republic of Korea, sent a message of greetings on January 1 to Comrade Han Tok-su, chairman of the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon), greeting the New Year 1985.

The message says that last year Chongnyon cemented its ranks both organisationally and ideologically and creditably carried out its noble patriotic tasks, smashing in time all kinds of subversive manoeuvres and sabotages of reactionaries and their vicious ideological offensive under the complicated situation. It continues:

Chongnyon has made great achievements in the work of firmly establishing the ideological system of chuche among organisations at all levels and training functionaries and compatriots to be true patriots of chuche type boundlessly faithful to the country and the party, upholding the party's policy.

Relying itself on the warm revolutionary zeal and patriotic devotion of functionaries and compatriots, Chongnyon energetically waged a mass political struggle to implement the policies of our party and the government of the DPRK for national reunification and actively supported and encouraged the just struggle of the South Korean people to greatly contribute to the acceleration of the cause of national reunification.

I highly appraise the successful fulfilment of honorary tasks facing Chongnyon by its functionaries and compatriots in Japan with unbounded loyalty to the homeland and the party last year. Pointing out that great successes were registered last year by the people in the fatherland in the struggle for hastening the complete victory of socialism and the independent and peaceful reunification of the country and modelling the whole of society on the chuche idea, the message further says:

In South Korea, too, students and people of all walks of life vigorously waged mass struggles to achieve national sovereignty and democratic rights and realise the independent and peaceful reunification of the country, dealing a heavy blow at nation-splittists within and without.

The energetic external activities of our party and the government of the DPRK brought friendly and cooperative relations with fraternal socialist countries to a new higher stage and further strengthened solidarity with non-aligned and Third World countries. Noting that the New Year 1985 is a meaningful year which greets the 40th anniversary of the country's liberation and our party's founding and the 30th anniversary of the formation of Chongnyon, the message stresses:

The entire functionaries of Chongnyon and compatriots in Japan should more thoroughly implement the party's policy of imbuing the ranks of Chongnyon with the chuche idea to make this year a historic year in which new upsurge is effected in the patriotic work of Chongnyon.

PRESIDENT KIM MEETS FILM STUDIO OFFICIALS

SK020542 Pyongyang KCNA in English 0528 GMT 2 Jan 85

[Text] Pyongyang January 2 (KNCA) -- The great leader President Kim Il-song Tuesday received Mr Sin Sang-ok, president of the Shin Film Studio, and Mrs Choe Un-hui, vice-president of the studio, on visit to the homeland.

President Kim Il-song congratulated them on their remarkable successes in the production of films such as the feature films "Emissary Unreturned" and "Desertion" and encouraged them in the energetic efforts to produce more of good films conducive to the prosperity of the homeland and the development of national culture. He conversed with them in a compatriotic and cordial atmosphere.

KIM IL-SONG, OTHERS AT PYONGYANG CHILDREN'S FETE

SK010521 Pyongyang KCNA in English 0456 GMT 1 Jan 85

[Excerpt] Pyongyang January 1 (KCNA) -- A gathering of Pyongyang school children greeting in the hopeful new year of 1985 was held on a grand scale at the February 8 House of Culture on December 31.

The great leader of our party and our people President Kim Il-song attended the gathering. When President Kim Il-song arrived at the February 8 House of Culture, kindergarten and school children made a New Year's greetings and presented him with bunches of flowers. President Kim Il-song congratulated pre-school and school children on the New Year's Day.

Present at the gathering together with working people and school children in the city were member of the Presidium of the Political Bureau of the Central Committee of the Workers' Party of Korea and Minister of People's Armed Forces Comrade O Chin-u, member of the Political Bureau of the WPK Central Committee and premier of the Administration Council Comrade Kang Song-san, members of the Political Bureau of the WPK Central Committee Comrades Pak Song-chol, Yim Chun-chu, Yi Chong-ok, So Chol, Kim Yong-nam, Ho Tam, Yon Hyong-muk, O Kuk-yol, Chon Mun-sop, Choe Yong-nim, Kim Hwan, Paek Hak-nim and So Yun-sok, alternate members of the Political Bureau of the WPK Central Committee Comrades An Sun-hak, Kim Chung-nim, Chon Pyong-ho, Kong Chin-tae, Chong Chun-ki, Hong Song-yong, Cho Se-ung, Kim Pok-sin, Hon Mu-kwang, Kim Tu-nam, Chong-Kyong-hui, Choe Kwang and Kim Kang-hwan, secretaries of the party Central Committee Hwang Chang-yop, Ho Chong-suk, So Kwan-hui, Chae Hui-chong and Pak Nam-ki, Vice-Premier of the Administration Council Kim Chang-chu, member and alternate members of the WPK Central Committee in Pyongyang, department directors of the WPK Central Committee, chairman of commissions and ministers of the Administration Council, leading personages of working people's organisations, generals of the Korean People's Army, leading men of science, education, culture and art, public health and the press, anti-Japanese revolutionary fighters, bereaved families of anti-Japanese revolutionary martyrs, heroes of the Republic and those who have done distinguished services to the state and persons who will attend a national congress of agriculture.

Also present there were the members of the Kumgangsan opera troupe of the General Association of Korean Residents in Japan (Chongnyon) and home-visiting groups of Koreans in Japan now staying in the socialist homeland. Invited to the gathering were foreign diplomatic envoys and embassy officials in Pyongyang, the delegation of the Communist Youth League of China headed by Hu Jintao, first secretary of its Central Committee, the Congolese delegation for the study of the chuche idea headed by Jean-Francois Obembe, member, and secretary, of the Central Committee of the Congolese Party of Labour and director of the higher party school, and other foreign guests on a visit to our country.

When President Kim Il-song appeared in the box amid the playing of the welcome music, the hall shook with the stormy cheers of mansei (hurrah) and thunderous applause. School children presented a basket of flowers carrying unbounded reverence to president Kim Il-song. A New Year's performance of school children began. A colorful program of songs and dances was presented on the stage.

KOREA HERALD PUBLISHES CHON'S NEW YEAR MESSAGE

SK010009 Seoul THE KOREA HERALD in English 1 Jan 85 p 1

[Text] Fellow citizens, compatriots in the North and abroad,

At this dawn of a new promising year, I hope great happiness and wellbeing will shower down on all your families like the warm rays of the sun throughout the Year of the Ox. I pray from the bottom of my heart that heaven's grace will again be with us all throughout this year so that all your wishes may be met and the nation may thus become more prosperous every day. In particular, I want to convey to our bretheren in the North our good wishes and warm words of comfort and our sincere hope that we will experience the joy of reunion in this new year.

We made 1984 a truly rewarding year by overcoming the afflictions of a flood through concerted efforts and by achieving both stability and growth. Furthermore, we took the initiative in the South-North dialogue on the strength of our growing national capabilities. Last year, we also rejoiced in our enhanced prestige and accomplishments on the world scene.

The new year is expected to bring continued turbulent transition due to mounting domestic and international changes and challenges. This calls for extraordinary devotion by every citizen to the tasks of speeding the arrival of an age of peace, justice, reunification and prosperity.

In this last stretch to a new century, the world is in a state of great flux and vortex. Accordingly, ever-faster shifts are anticipated in the situations enveloping the peninsula that will have direct bearing on the future course of the nation. Now that a pattern of stability wedded with growth is taking hold, we are entering an era that demands unswerving and sustained efforts to preserve and further cultivate this trend. We must thus never commit the folly of passively letting the waves of change from outside determine our own fate. Nor must we again fall into the foolishness of dissipating our energy on internal quarreling when confronted with external challenges. We must be intrepid pioneers of our own future who squarely face challenges and bravely triumph over them.

We must keep vigorously striding forward with a deep conviction and determination as members of a great nation committed to the ideals of advancement and progress. Our present circumstances are never so clement that we can afford to perpetuate our shortcomings and inadequacies.

My conviction is that the firm unity of the entire citizenry in an unflagging civic spirit is essential to building the nation's future on the foundation of stability and progress that we have strenuously laid in recent years. Only by translating such a spirit into action will we be able to triumph over all adversities and attain our goals at an early date.

History tells us that when the government and people are armed with foresight and do their best under prevailing circumstances, they will never fail to reach their cherished goals. In light of this lesson, let us all pledge again to be united in the endeavor to shape a great new chapter in the nation's history. Once again, I pray for the happiness and best of luck for all 60 million fellow countrymen.

KOREA HERALD CARRIES INTERVIEW WITH YI WON-KYONG

SK010048 Seoul THE KOREA HERALD in English 1 Jan 85 pp 1, 2

[Text] Minister of Foreign Affairs Yi Won-kyong said yesterday that the Seoul government will not "let any chance go by" in seeking to reduce tension on the Korean peninsula.

Although it is not clear yet why North Korea has chosen to talk with the South, he said, the North is believed to have taken the flexible approach because of a need to tide over its painful economic situation and to prepare the smooth hereditary power succession.

He told THE KOREA HERALD in an interview that the government intends to discuss "political subjects" with North Korea when sufficient progress is made in the current economic and Red Cross talks. He said, "Our ultimate goal of the inter-Korean talks is the achievement of peaceful reunification through national reconciliation. It is our earnest desire that the talks would make substantial progress in solving the problems created by the division of our nation," he said.

He said it is "an encouraging sign" that China favors the current inter-Korean talks and that there is no reason why the Soviet Union should oppose them.

Following are Yi's replies to the questions:

Question: What is your assessment of the prospects for inter-Korean dialogue this year? What do you think is the motive behind the North Korean decision to talk with the Seoul government?

Answer: It is gratifying to see that the dialogue between South and North Korea has been resumed after a decade-long interruption. The recent development in South-North dialogue was made by the initiatives of the Republic of Korea to bring it back on track in order to ease tension on the Korean peninsula.

It is our earnest desire that the talks would make substantial progress in solving the problems created by the division of our nation. We will do our best to make the talks successful, hoping the other side will do the same. However, the history of South-North talks in the past teaches us that we should not be overly optimistic about it. It is reminded that the North was bent on preparing military provocations against the South while engaging in the talks with us. Therefore, it is premature at this initial stage to conclude whether the recent North Korean gesture means any change in its policy toward the South, or just another simple deceptive tactics misleading the world opinion and betraying the aspiration of the entire Korean people.

As to the motive for North Korean's new move, there may be many different ways to look at it, but I guess it is a complicated one interrelated with their internal and external situation.

A flexible attitude toward the South, they would think, will serve their purposes -- to relieve them from their painful economic situation, to prepare for the smooth hereditary power succession and thus, to consolidate Kim Chong-il's political base.

Furthermore, the North is in dire need for improving its internationally tarnished image from its terroristic activities including the Rangoon bombing atrocity and to extricate itself from international isolation.

Even if the sincerity of the other side is not certain, we will not let any chance go by idly in seeking to reduce tension and, eventually to ensure the everlasting peace on the peninsula.

[Text] Question: The dialogue has been confined to issues concerning Red Cross, economic cooperation and sports. Do you think it will be expanded to include the "political" area this year?

Answer: The ultimate goal of the inter-Korean talks is the achievement of peaceful reunification through national reconciliation. It is in this context that President Cho Tu-hwan has made epoch-making proposals including the formula for national reconciliation and democratic unification.

We earnestly hope that the current economic talks and the Red Cross talks as well as the sports talks which were also proposed by our side will progress smoothly, and produce tangible results toward easing tension and building mutual trust. We are trying our best to make the current talks a success with patience and sincerity. Of course, it is our intention to have the current talks expanded to include political subjects when sufficient progress is made in our current talks.

Question: There have been signs that China favors the dialogue, but the Soviet Union has not shown its response to the current talks between South and North Korea. Do you believe the Soviet Union also supports the talks designed to reduce tensions on the Korean peninsula? And why do you think it does so?

Answer: We welcome it as an encouraging sign that the People's Republic of China is in favor of the present inter-Korean talks. So far as my knowledge goes, the Soviet Union has shown no sign other than the brief actual report on the talk in her news media. I am not going to speculate on the Soviet position, but I see no reason why the Soviet Union should oppose the inter-Korean dialogue.

Question: Do you have any plan to seek cooperation from the United States, Japan and other friendly countries to push ahead with the dialogue?

Answer: Since the Korean question is an issue basically involving both parts of Korea, it is emphasized that the solution to this problem should be made by the two parties directly concerned. However, we wholeheartedly welcome the cooperation from major friendly nations if it helps to smooth progress of the South-North dialogue. But, as the talks are at the beginning stage, any hasty judgment on the outcome of the talks would not be helpful.

FRENCH AMBASSADOR CALLS ON VICE FOREIGN MINISTER

SK010041 Seoul THE KOREA HERALD in English 1 Jan 85 p 1

[Text] French Amb. Andre Baeyens called on Vice Minister of Foreign Affairs Yi Sang-ok to discuss the government decision to recall Korean Ambassador to Paris Yun Sok-hun and delay French External Trade Minister Edith Cresson's scheduled visit to Seoul.

Yi briefed the French envoy, who returned to Seoul Sunday from a home leave, on the background of taking stern diplomatic action against France.

The government took the action to express displeasure over the French upgrading of the North Korean trade mission in Paris to a general delegation Dec 11.

PROSECUTOR'S STATEMENT ON POLITICAL ACTIVITIES

SK311349 Seoul TONG-A ILBO in Korean 1 Jan 85 p 1

[Text] Taking a serious view of the fact that politicians who have not been released from the political ban are carrying out political activities, the Supreme Public Prosecutor's Office issued a statement on 31 December, saying that it will take due and legal measures against their acts violating laws in accordance with the laws concerned.

In its statement, the Supreme Public Prosecutor's Office said: With the general election at hand, illegal political organizations formed with figures whose political activities are banned by law as central figures have recently carried out political activities, violating laws, to support or oppose specific political parties through various political meetings, statements, and press conferences.

The Supreme Public Prosecutor's Office said that, while advocating democratization, these organizations have attempted to place a specific political party under their influence by supporting specific persons, by participating in the work of founding this party, by masterminding the selection of persons who are responsible for the organization of the local chapters of a specific party and the recommendation of candidates for the election of the National Assembly, and even by organizing a special committee for the general election, thus carrying out political activities that are actually similar to those carried out by political parties.

The Supreme Public Prosecutor's Office said: Such an act clearly violates the special law and the law on the election of national assemblymen designed to reform the political climate, and is aimed at disturbing political order and the election atmosphere, with the general election at hand.

The Supreme Public Prosecutor's Office said that it has decided to take a legal measure against such an illegal act in accordance with the policy of not tolerating any illegal acts destroying political order and hindering a fair election.

Asked by a reporter whether illegal political party implies the Council for the Promotion of Democracy, an official concerned at the prosecutor's office answered: "Yes." This official said that if those whose political activities are banned continue to violate relevant laws, the prosecutor's office will book not only those whose political activities are banned but also third persons who issue statements for them. Such third persons would be regarded as accomplices.

Another official concerned at the Supreme Prosecutor's Office said that the Seoul District Prosecutor's Office will conduct an investigation at the outset of the new year to determine whether, among those belonging to the Council for the Promotion of Democracy, Kim Yong-sam, who is banned from political activities, has participated in an election campaign in advance by joining activities to found the political party that is temporarily called the New Korean Democratic Party, or by forming a special committee for the general election in the Council for the Promotion of Democracy. He then said that, if it is true that Kim Yong-sam has committed illegal acts, the Supreme Public Prosecutor's Office will book him.

This official said that, while the Seoul Metropolitan Police has conducted an investigation of Kim Yong-sam and collected only information regarding his violation of the law on the election of national assemblymen and the law on the reform of the political climate, the prosecutor's investigation of him will focus on collecting concrete evidence of his violations of the laws on interrogation of Kim and those concerned, hinting that the prosecutor's office will call in and investigate Kim.

REPORTAGE ON PREPARATIONS FOR CHAN SI FUNERAL

Formation of Funeral Committee

BK311330 Phnom Penh Domestic Service in Cambodian 1200 GMT 31 Dec 84

[Communique on the composition of the national committee for the funeral of the late chairman of the PRK Council of Ministers, Chan Si]

[Text] Following the death of Comrade Chan Si, member of the KPRP Central Committee Political Bureau and chairman of the PRK Council of Ministers, the Political Bureau of the party Central Committee held an extraordinary meeting on 31 December, 1984, to discuss the preparation for a suitable funeral ceremony worthy of the great service rendered by the late Comrade Chairman Chan Si to the revolutionary cause of Kampuchea. The Political Bureau has decided to set up a national funeral committee made up of the following:

Comrade Hun Sen, member of the Political Bureau of the Party Central Committee and acting chairman of the Council of Ministers; Comrade Bou Thang, member of the Political Bureau of the party Central Committee and vice chairman of the Council of Ministers; Comrade Chea Soth, member of the Political Bureau of the party Central Committee and vice chairman of the Council of Ministers; Comrade Chan Phin, member of the party Central Committee Secretariat and minister of finance; Comrade Khang Sarin, member of the party Central Committee Secretariat and minister of the interior; Comrade Mat Ly, member of the party Central Committee, vice chairman of the National Assembly, and chairman of the Federation of Trade Unions; Comrade Chey Sophon, member of the party Central Committee and chairman of the Central Organization Commission; Comrade Mrs Men Sam-an, member of the party Central Committee and chairman of the Central Propaganda and Education Commission; Comrade Sar Kheng, alternate member of the party Central Committee and acting chef de cabinet of the party Central Committee; Comrade Chheng Phon, alternate member of the party Central Committee and minister of information and culture; Comrade Chan Ven, secretary general of the Council of State; Comrade Sin Song, deputy minister of the interior; Superior Bonze Tep Vong, vice chairman of the National Assembly; Comrade Keo Chanda, secretary of the Party Committee and chairman of the People's Revolutionary Committee of Phnom Penh City; Comrade Kong Korm, deputy minister of foreign affairs; Comrade Heng Teav, vice chairman of the Federation of Trade Unions; Comrade Sam Sundoeun, chairman of the Kampuchean Youth Association; and Comrade Min Khin, deputy secretary general of the KUFNCD National Council.

Mourning Instructions Given

BK311426 Phnom Penh SPK in English 1157 GMT 31 Dec 84

[Text] Phnom Penh SPK December 31 -- Hun Sen, acting chairman of the Council of Ministers of the People's Republic of Kampuchea, has given the following instructions for the organization of national mourning for the late Chairman Chan Si:

1-During the national mourning, from January 3 to January 5, 1985 all banquets, entertainments, film show, art performances, and sport competitions will be suspended, and no music will be played on the radio and television during the same period.

2-Flags will be flown at half staff at all offices of the party, the state administration and mass organizations from the central to communal levels, and at all overseas missions.

3 -- In the capital city of Phnom Penh, a ceremony will be held to pay respects to the late chairman, for the reading of the eulogy and the cremation according to the programme of the national funeral committee.

People's revolutionary committees in provinces and other cities will organize the reading of the eulogy at their offices simultaneously with the reading in Phnom Penh. Overseas missions will organize the reading of the eulogy at their respective offices.

Hun Sen To Arrange Funeral

HK010610 Hong Kong AFP in English 0541 GMT 1 Jan 85

[Text] Bangkok, Jan 1 (AFP) -- Foreign Minister Hun Sen has been put in charge of funeral arrangements for Chan Si, prime minister of the pro-Hanoi government in Phnom Penh, Cambodia's SPK NEWS AGENCY reported. Observers in Bangkok said the selection of Mr Hun Sen appeared to indicate he would succeed Mr Chan Si, who died yesterday of heart disease at the age of 50.

The 34-year-old Mr Hun Sen has stood in for Mr Chan Si in recent months as acting premier of the government of President Heng Samrin, which was installed by Vietnamese-led troops on January 7, 1979. Mr Hun Sen is number five on the list of Politburo members of Cambodia's pro-Vietnamese Communist Party. He will be heading a funeral committee composed of 18 senior Cambodian officials, SPK said in a dispatch monitored here. None of SPK's dispatches on the death of Mr Chan Si and the three days of national mourning declared in Cambodia has mentioned where the prime minister died. But the Cambodian Embassy in Hanoi said that Mr Chan Si, reported to have been ill for some time, had been in Moscow.

Committee Issues Brief History

BK010606 Phnom Penh SPK in English 1230 GMT 31 Dec 84

[Text] Phnom Penh SPK December 31 -- This is a brief history of the late Premier Chan Si, prepared by the national funeral committee:

"Comrade Chan Si, Khmer, was born on May 7, 1934, at Thnal village, Propich Changvar commune, Baribo district, Kompong Chhnang Province. In 1949, when 15 years old he joined the revolution and fought in the militia against French colonialism. From 1950 to 1954 he was in the Revolutionary Army.

"Following the signing of the Geneva agreements on Indochina in 1954, he went to the northern part of the then Democratic Republic of Vietnam where, later on, he attended courses on politics and electrical technique. In 1960, he became a member of the Khmer People's Revolutionary Party. He participated in attacks on the U.S. imperialist aggressors in 1970. In 1973, seeing the true face of the traitorous gang of Pol Pot, Ieng Sary, Comrade Chan Si dissociated himself from it. Then, in 1978, he joined the then United Front for National Salvation of Kampuchea to topple the genocidal Pol Pot clique, henchmen of Chinese expansionism.

"Following the liberation on January 7, 1979 Comrade Chan Si was entrusted by the party and the state with successive duties as head of the General Political Department of the People's Revolutionary Armed Forces, deputy minister of national defence, vice chairman of the Council of Ministers, and then minister of national defence.

"At the Fourth Congress of the People's Revolutionary Party of Kampuchea Comrade Chan Si was elected member of the Central Committee and member of the Political Bureau. In 1982, he was elected by the National Assembly chairman of the Council of Ministers of the People's Republic of Kampuchea, a post he filled until he died."

Comrade Chan Si fulfilled any task set by the party and the state with a high sense of responsibility. His death is great loss to the entire party, the entire army, and the entire people. He, however, set us a shining example as a loyal revolutionary militant, a leader who worked heart and mind for the people and the country and a devoted son of the Kampuchean working class and the Kampuchean nation. "We all regret him deeply".

Honors Conferred on Chan Si

BK011212 Phnom Penh Domestic Service in Cambodian 1100 GMT 1 Jan 85

[Communique of PRK Council of State chairman -- date not given]

[Text] In light of the active contribution to and great achievements in the cause of the nation and of the Kampuchean people's rebirth made by Comrade Chan Si, member of the Political Bureau of the KPRP Central Committee and chairman of the PRK Council of Ministers, the chairman of the Council of State has decided to confer a posthumous Angkor Order, which is our most prestigious decoration, and the title of Hero on Comrade Chairman Chan Si, a loyal communist all his life, a leader who wholeheartedly fought for the people and fatherland, and a grateful son of the working class and people of Kampuchea.

'HEAVY FIGHTING' CONTINUES AT NONG SAMET

Withdrawal of SRV Forces

HK311142 Hong Kong AFP in English 1053 GMT 31 Dec 84

[By Francis Deron]

[Text] Aranyaprathet, Thailand, Dec 31 (AFP) -- Fierce fighting yesterday between resistance guerrillas and Vietnamese soldiers left 90 dead and 160 wounded at the Nong Samet guerrilla camp near the Thai-Cambodian border, resistance officials said today.

Thai authorities and guerrillas said that Vietnamese troops today began withdrawing from the base, located inside Cambodia about 250 kilometers (155 miles) east of Bangkok, a week after flattening it in a full-scale assault. Thai military authorities said that Khmer People's National Liberation Front (KPNLF) guerrillas, led by Son Sann, had retaken control over "almost all" of Nong Samet, located 30 kilometers north of here. KPNLF officials at the border said violent fighting yesterday around the camp left more than 60 dead and 100 wounded on the Vietnamese side, while 30 guerrillas were killed and 60 wounded. There was no independent confirmation of these figures. But Thai military authorities consider that the Nong Samet attack cost fewer Vietnamese lives than the November attack on Nong Chang, a KPNLF base not far from Nong Samet.

Meanwhile, at Ampil, the KPNLF headquarters base 20 kilometers farther north along the Thai-Cambodian border, guerrillas today were making final preparations to resist an imminent Vietnamese attack, journalists at the border said. The journalists said they heard the rumbling of five Vietnamese tanks about eight kilometers east of the camp, which serves as the KPNLF headquarters.

Civilians who fled the camp to take refuge along the frontier in preparation for the attack were digging fox-holes for shelter against Vietnamese shelling, journalists said.

Thai military authorities and guerrilla representatives said Vietnam had concentrated 3,000 troops near Ampil, about 1,000 of whom today were between 500 meters and three kilometers southeast of the camp. The 4,000 guerrillas defending Ampil have been joined by about 500 fighters from the forces of Prince Norodom Sihanouk, the Cambodian resistance leader, KPNLF guerrillas said. This was not immediately confirmed by representatives of Prince Sihanouk, whose headquarters are farther to the northeast along the Cambodian border.

Journalists were able today to visit the Cambodian side of the border along a line of defense two kilometers east of Ampil, where guerrillas described the situation as "abnormally calm." The KPNLF, the largest of the two nationalist movements in the Cambodian resistance, last April held off a major attack against Ampil for the first time in six years of war between the resistance and the 150,000 to 170,000 troops Hanoi has stationed in Cambodia since 1979. At Nong Samet, fighting was less intense this morning as the Hanoi forces withdrew because "they don't have anything left to do in the base now that it is completely destroyed," KPNLF representative Trateet Ravangnam [name as received] said.

Shelling Resumed

BK311606 Bangkok BANGKOK POST in English 1 Jan 85 p 1

[Text] Vietnamese gunners resumed their shelling of the embattled nationalist Nong Samet camp yesterday [31 December] amid continuous small arms clashes throughout the night. Sunday's battle at the nationalist camp was the fiercest so far in the Kampuchean war, with more than 100 coalition troops wounded and as many as 30 feared killed while trying to recapture the camp. Using 60mm and 82mm mortars, recoilless rifles and B40 grenade-launchers, troops of the Khmer People's National Liberation Front fought the better-armed Vietnamese in the ruins of what was a bustling camp of more than 60,000 people. Vietnamese units were still holding firm in parts of the camp and the intensity and accuracy of their gunners gave the nationalists little chance of advancing.

Latest reports said three nationalists were killed and nine wounded in yesterday's clashes. According to the International Committee of the Red Cross, 261 wounded had been treated after the Christmas Day attack on Nong Samet. The death toll is said to be the highest in any border battle since the Vietnamese invaded Kampuchea.

KPNLF Special Forces Commander Colonel Pan Thay said about 40 Vietnamese nurses and medics had been killed during the fighting but independent confirmation of the incident was not available. Thai military sources said Khmer Rouge forces launched a series of raids against Vietnamese bases along the crucial Highway 5 and near Phnom Malai in an effort to take the pressure off the KPNLF. A small force from the National Sihanoukist Army (ANS) near Nong Samet was said to have engaged the Vietnamese several times during the assault on the camp.

The situation remained tense along the border but Sihanoukist sources said Tatum-Green Hill had yet to face a serious challenge. The ANS also claimed its forces on December 1st attacked a Vietnamese unit at O Ta Paong Bridge in Pursat Province, killing six soldiers and capturing a small quantity of military equipment.

KPNLF Fortifies Ampil

HK020756 Hong Kong AFP in English 0730 GMT 2 Jan 85

[By Allen Nacheman]

[Text] Ampil, Cambodia, Jan 2 (AFP) -- Cambodian guerrillas today fortified this major resistance camp against an expected attack by Vietnamese troops who overran another base last week.

An official of the Khmer People's National Liberation Front (KPNLF) said three-fifths of the huge Nong Samet base south of here was in guerrilla hands and that, despite sporadic shellings, the Vietnamese were withdrawing. "Our observers said the Vietnamese are taking down their field telephone lines," said Hing Kunthon, KPNLF civilian affairs officer. "This is a classic sign of withdrawal."

Nong Samet, the largest non-communist resistance camp in Cambodia, was razed by the Vietnamese in a Christmas Day artillery siege that sent 62,000 civilians fleeing into Thailand.

All available information today, meanwhile, contradicted a news report yesterday of heavy fighting and casualties at Nong Samet. "Compared to the previous week, the level of the activity at Nong Samet was much lower yesterday," said Gerard Stegmann, an official of the International Committee for the Red Cross. He said 25 guerrillas had been wounded there on Monday night, but that only eight were wounded on Tuesday. There was also no confirmation of a report that six Thai soldiers had been killed in a Vietnamese intrusion into Thai territory opposite the O Bok guerrilla camp 20 kilometers (12 miles) north of here.

In Bangkok, Supreme Command sources said fighting had occurred in O Bok on December 27 and 28 between KPNLF guerrillas and Vietnamese troops attempting to regain control of a pond from the guerrillas. But the sources said they had no information of an intrusion of Vietnamese troops into Thailand. Guerrilla representatives, international relief workers and Thai local officials in the district of Bankrouad, opposite O Bok, also said they had no report of such an attack.

Some 23,000 Cambodian civilians evacuated from Ampil, headquarters of the KPNLF, last week today remained in a temporary camp strung out inside Cambodia, along a broad tank ditch on the border. Residents were seen carrying furniture out of the Ampil camp, and many of the larger houses in the camp had freshly dug bomb shelters.

Sao Thomrin, a KPNLF radio spokesman here, said the Vietnamese offensive on Ampil would come "tonight or tomorrow." "We heard the rumbling of the tanks last night," he said. KPNLF Intelligence Chief Soeung Rithisak said yesterday that some 4,000 Vietnamese troops were massed around a lake four kilometers (2.4 miles) east of here. He said they had moved ten tanks, ten artillery pieces and four other armoured personnel carriers to within two hours striking distance of the base. "This is the heaviest concentration of Vietnamese forces I've ever seen against us," he said. Mr Rithisak said the guerrillas had saturated the Ampil lake area with 400 anti-tank mines.

KPNLF claim to have a total of some 15,000 armed guerrillas in Cambodia. The Hanoi government is said to have an estimated 150,000 to 170,000 troops since Vietnam invaded Cambodia in December 1978. Sources here said if the assault on Ampil does not come today or tomorrow, it will probably be on January 7, marking the sixth anniversary of Hanoi's official installation of the Heng Samrin regime in Phnom Penh.

'FALSE CHARGES' ON BORDER CAMP ATTACKS ASSAILED

BK300518 Phnom Penh SPK in English 0429 GMT 30 Dec 84

["Hoax" -- SPK headline]

[Text] Phnom Penh SPK December 30 -- Mouthpieces in Beijing and the West, serving the interests of Chinese expansionism and U.S. imperialism, have again drummed up false charges about attacks on "civilian camps" along the Kampuchean-Thai border.

It is known by all that for six years now the Beijing expansionists, the U.S. imperialists and reactionary circles in the ASEAN countries, especially Thailand, have undertaken repeated subversive activities against the People's Republic of Kampuchea. They feed, arm and train the genocidal criminals and other Khmer reactionaries and provide them with sanctuaries on Thai soil from which to mount sabotage activities against the rebirth of Kampuchean people. It is also public knowledge that Thai troops have joined Polpotist bandits and other Khmer reactionary forces in frequent incursions into Kampuchean territory, and during these seasonal intrusions Kampuchean refugees have been dragged back and forth across the border to shield intruders.

Beijing, Washington and Bangkok have tried again and again to sell their tall stories about Vietnamese and Kampuchean forces attacking civilians and invading Thai territory, but people know too well that these are groundless, only slanderous accusations intended to conceal and defend their brazen collusion in meddling with Kampuchea's internal affairs and in resisting the trend for negotiations in favour of peace and stability in Southeast Asia. It is entirely absurd to speak of "Kampuchean refugee camps" on Kampuchean territory while it is completely legal for the PRK Government to wipe out the bandits for the security of the people. The so called "refugee camps" on the western border were all camouflaged bandit hideouts where civilians were kept as hostages. The proof is that many of those helpless people were saved by the Revolutionary Forces during their recent attacks.

HENG SAMRIN ADDRESSES NATION ON NEW YEAR

BK311253 Phnom Penh Domestic Service in Cambodian 1100 GMT 31 Dec 84

[New Year's message from Heng Samrin, KPRP Central Committee general secretary and PRK Council of State chairman -- read by announcer]

[Text] Dear compatriots, comrades, and friends:

Entering this New Year, 1985, we are extremely satisfied with the great successes we achieved in all fields in the past year. These successes result from the praiseworthy efforts of our whole party, Army, and people and of the wholehearted assistance of fraternal countries and friends, enabling our people's national defense and reconstruction cause to make firm, steady progress and raising the international prestige of the PRK to new heights.

On behalf of the KPRP Central Committee, the PRK, Council of State, and the KUFNCD National Council, I would like to express sincere admiration of all these efforts.

On the occasion of the New Year, I wish all cadres, combatants, workers, peasants, intellectuals, Buddhist monks, and the fraternal ethnic groups throughout the country the best of health at all times. I particularly extend greetings with deepest feelings to the cadres and combatants of the Revolutionary Armed Forces fighting on the battlefields, to the people's police forces fulfilling duty everywhere, to the brothers engaged in labor at various national defense work sites, to the comrades who are disabled or hospitalized combatants at various hospitals, to the families of the dead and disabled soldiers, and to families of the armymen and policemen.

In the past year, the young boys and girls displayed good achievements in the 3-good movement. I am confident that in this New Year, you will make greater efforts to deserve being the children of the glorious PRK.

Also on this occasion, I would like to express my deepest feelings to the cadres and combatants of the fraternal Vietnamese volunteer Army and their families. My best wishes to all embassy representatives and comrade experts from fraternal and friendly countries carrying out activities in Kampuchea. I also send friendly best wishes to Kampuchean residents living abroad and firmly believe that they will make greater efforts to contribute to the cause of national defense and reconstruction.

I would like to appeal to the brothers and sisters who have been misguided by the enemies. In the new year, please think again, try to find means to abandon the enemy ranks, and quickly return to the fold to be reunited with your families under the leadership of the revolutionary power.

Dear compatriots and combatants, the successes won in the past are considerable. The revolutionary vitality and offensive against the enemies are surging inexorably. The revolutionary movement throughout the country is soaring by leaps and bounds. Nevertheless, the tasks in the new, immense revolutionary stage remain more complex. Unite closely around the party and enhance the socialist international solidarity, first of all solidarity with Vietnam, Laos, and the Soviet Union. Each of us must make every effort to contribute to firmly defending national independence, advancing the Kampuchean fatherland step by step toward socialism and ensuring the grandeur and prosperity for the nation and a happy existence for the people. Once again, I wish all of you new successes in the New Year.

BOU THANG GREET'S NEW SOVIET DEFENSE MINISTER

BK290853 Phnom Penh Domestic Service in Cambodian 1200 GMT 28 Dec 84

[Greetings message from Bou Thang, PRK national defense minister, to Marshal Sergey Sokolov, on his appointment as USSR national defense minister]

[Text] Beloved Comrade Minister, I have the great honor and I am very elated to send my sincere greetings to you on the occasion of your appointment as minister of national defense of the USSR. I am confident that the existing bonds of friendship, solidarity, and close cooperation between our two peoples and Armies will be strengthened and developed further in the common interests of our two peoples and Armies -- peace, socialism, and Marxism-Leninism. May you, Comrade Minister, enjoy the best of health and a long life and may you score victories in all your noble duties. Please, Comrade Minister, accept my highest considerations.

HENG SAMRIN MESSAGE TO POLAND'S JABLONSKI

BK290916 Phnom Penh SPK in English 1116 GMT 28 Dec 84

[Text] Phnom Penh SPK December 28 -- Heng Samrin, president of the State Council of Kampuchea has sent greetings to Henryk Jablonski, president of the State Council of Poland on his 75th birthday.

The message says: "The party, the government and the people of Kampuchea rejoice to see that you have untirelessly accomplished your tasks in the socialist construction and development of Poland and in the struggle for stability, peace and cooperation in Europe and the rest of the world."

The message highly values the Polish president's great contribution to the consolidation and the development of the fraternal friendship and fruitful cooperation in all domains between Kampuchea and Poland. It wishes the Polish president the best of health, longevity and more successes in his noble task.

CHEA SIM GREETES HUNGARY'S ISTVAN SARLOS

BK290909 Phnom Penh SPK in French 0432 GMT 29 Dec 84

[Text] Phnom Penh, 29 Dec (SPK) -- Chea Sim, chairman of the National Assembly of the PRK, has sent a message to Istvan Sarlos wishing him the best of health and new successes on the occasion of his election to the post of chairman of the National Assembly of the Hungarian People's Republic.

The message says, among other things: I am convinced that under your clear-sighted leadership the relations of friendship, solidarity, and fraternal cooperation between our two legislative organs will develop and strengthen for the well-being of our two peoples and for peace and stability in the world. I express profound gratitude to the fraternal Hungarian party, government, and people for their assistance and support to the defense and construction of the PRK on its advance toward socialism.

BOU THANG GREETES VOLUNTEERS ON VPA ANNIVERSARY

BK200706 Phnom Penh Domestic Service in Cambodian 0430 GMT 20 Dec 84

[Message of greetings from PRK National Defense Minister Bou Thang to Vietnamese volunteer Army cadres and combatants and Vietnamese experts in Kampuchea on the 40th anniversary of the VPA -- date not given]

[Text] On behalf of the Kampuchean Revolutionary Armed Forces and in my own name, I would like to express warm congratulations and greetings to the comrade cadres and combatants of the Vietnamese volunteer Army and the comrade Vietnamese experts. May you enjoy good health and obtain more successes in your noble internationalist duty in our country.

Dear comrades, under the leadership of the CPV with President Ho Chi Minh as the outstanding leader, the VPA, an army born out of the people and working for the people, has been forged and built up from small guerrilla units into a powerful, highly capable, experienced, and modern army. It is an army full of patriotism and deeply motivated by the spirit of proletarian internationalist solidarity. With this great capacity and these experiences, the VPA has fought and vanquished many big enemies, such as the French colonialists, Japanese fascists, U.S. imperialists, and, recently, the Beijing expansionist-hegemonists.

The VPA has a tradition of militant solidarity, fighting shoulder to shoulder in the same trenches with the fraternal Kampuchean People's Revolutionary Army and the fraternal Lao People's Army, defeating the common enemies, together preserving the revolutionary gains of the three Indochinese countries, and making an important contribution to the defense of peace and stability in Southeast Asia.

On the occasion of this glorious anniversary, the Kampuchean Army and people would like to express deep gratitude to the cadres and combatants of the Vietnamese volunteer Army for, at the cost of their own lives, saving the Kampuchean people from the danger of the genocidal regime.

At present, promoting their enlightened spirit of proletarian internationalism, the Vietnamese volunteer Army and Vietnamese experts have been assisting the Kampuchean Army and people in defending and building our beautiful land of Angkor. In particular, the all-round successes won over the past nearly 6 years by the Kampuchean revolution prove and testify to the great vitality of the bonds of militant solidarity between our two Armies and peoples and this militant solidarity has enabled the situation of the Kampuchean revolution to advance firmly, steadily, and irreversibly.

Our Kampuchean Army and people pledge to learn from the example of the will to fight and the precious experiences of the Vietnamese volunteer Army, to do our best to build a strong Kampuchean revolutionary Army, and to further strengthen and enhance the bonds of militant solidarity between our two Armies and peoples with each passing day, carrying out excellently all the tasks entrusted by the party and people.

Once again, on behalf of the Kampuchean Revolutionary Armed Forces and in my own name, I wish the Vietnamese volunteer Army cadres and combatants and the Vietnamese experts the best of health and more and greater success in your glorious internationalist duty. Through you, I extend warm greetings and deep gratitude to the families of fallen, wounded, or disabled combatants for allowing their husbands, sons, or relatives to fulfill their internationalist duty in our country. May they enjoy good health and success. Please, comrades, accept my highest regards.

CHEA SOTH ATTENDS INDUSTRY, HANDICRAFT MEETING

BK290913 Phnom Penh SPK in French 0435 GMT 29 Dec 84

[Text] Phnom Penh, 29 Dec (SPK) -- The Ministry of Industry held its annual meeting in Phnom Penh yesterday to review industrial and handicraft activities during 1984 and to define new tasks for 1985. Present were Chea Soth, member of the KPRP Central Committee Political Bureau, vice chairman of the Council of Ministers, and minister of Planning; Meas Samnang, minister of industry; Heng Teay, member of the Council of State and vice chairman of the Kampuchea Federation of Trade Unions; and others.

Addressing the opening session, Chea Soth spoke of the rapid development of the Kampuchean revolution in national reconstruction and defense under the wise leadership of the KPRP. He particularly appreciated the efforts of the working class who, in spite of material and technical difficulties, had obtained satisfactory results in industrial production. This year, Chea Soth stressed, Kampuchea's industrial production grew 40 percent compared to 1983, and the development of small industries and handicrafts also turned out to be spectacular, especially in Phnom Penh, Battambang, Kompong Cham, Kandal, Kampot, and Kompong Chhnang.

The meeting heard Klot Vandt, deputy minister of industry, read the annual report before the start of the discussions.

GOVERNMENT, PARTY MOURN DEATH OF PRK'S CHAN SI

Condolence Message

BK011401 Vientiane Domestic Service in Lao 1200 GMT 1 Jan 85

[1 January Message of Condolence from LPRP Central Committee, SPC, and Council of Ministers of LPDR to KPRP Central Committee, State Council, National Assembly, and Council of Ministers of PRK]

[Text] We are extremely grieved to learn of the death of Comrade Chan Si, member of the KPRP Central Committee Political Bureau and chairman of the Council of Ministers of the PRK.

Comrade Chan Si was an outstanding Kampuchean revolutionary, a beloved and precious son and nephew of the Kampuchean people, and a resolute fighter in the national salvation struggle against the colonialists and the imperialist aggressors. Throughout his precious life, the comrade vigorously contributed to the struggle to liberate the country and win the historic victory on 7 January 1979 in overthrowing the genocidal Pol Pot-Ieng Sary-Khieu Samphan regime to save the Kampuchean people from the danger of genocide and to revive, defend, and construct the PRK.

During many decades of rich revolutionary activities, Comrade Chan Si dedicated his strength and intelligence for the cause of the party and for the Kampuchean people. He was a fine model in upholding the pure spirit of patriotism in coordination with proletarian internationalism and in strengthening the fraternal friendship and cooperation among the various parties and fraternal countries in the socialist community. At the same time, Comrade Chan Si actively contributed to restoring and strengthening the special militant solidarity and all-round cooperation between the Lao and Kampuchean peoples as well as among the Lao, Kampuchean, and Vietnamese peoples.

The loss of Comrade Chan Si is a great and heavy loss to the party, state, and fraternal people of Kampuchea. At the same time, it is a loss of a close and loyal companion in arms of the Lao people as well as the communists and progressive and justice-loving people throughout the world.

We are convinced that the fraternal Kampuchean people will translate the grief and sorrow on the departure of Comrade Chan Si into a strengthening of the unity among the party, government, and entire people of Kampuchea and that they will be determined to advance to win new, greater victories for the cause of socialist revolution and the happiness and plentiful life of the fraternal Kampuchean people.

On behalf of the LPRP Central Committee, the SPC, the Council of Ministers, and the entire Lao people, we wish to share the deep sorrow with the KPRP Central Committee, the State Council, the National Assembly, the Council of Ministers, and the fraternal people of Kampuchea and the family and relatives of Comrade Chan Si.

Vientiane, 1 January 1985

[Signed] LPRP Central Committee, SPC, and Council of Ministers of the LPDR

Resolution on Mourning

BK020230 Vientiane Domestic Service in Lao 0000 GMT 2 Jan 85

[1 January "Resolution" of LPRP Central Committee, SPC, and Council of Ministers]

[Text] With grievous sorrow over the passing away of Comrade Chan Si, member of the KPRP Central Committee Political Bureau and chairman of the PRK Council of Ministers,

to commemorate the lofty, meritorious deeds and to show the spirit of profound love, respect, and mourning of our party, state, and people for Comrade Chan Si, and sharing sorrow with the fraternal Kampuchean people on this occasion, the LPRP Central Committee, the SPC, and the Council of Ministers of the LPDR have agreed to:

1. Organize mourning of the death of Comrade Chan Si throughout the country; and
2. Have all party and state offices and organizations, all mass organizations throughout the country, and all Lao embassies and representation offices in foreign countries fly the national flag at half-mast for 3 days -- from 3 to 5 January 1985.

Vientiane, 1 January 1985

PASASON CRITICIZES THAI CLAIMS ON VILLAGERS

BK311420 Vientiane KPL in English 0910 GMT 31 Dec 84

[Text] Vientiane, Dec 31 (KPL) -- The daily PASASON today denounces the assorted Thai tricks in connection with the so-called "volunteer resettlement" of the Lao people who in effect have been mustered from the three Lao border hamlets of Sayaboury to live in a Thai camp.

In the recent U.N. session the paper reminds the readers, the Thai foreign minister solemnly announced the Thai troops' withdrawal from the three Lao hamlets. In reality however his statement totalled to no more than a tactically move aimed at misleading the public opinion from the core of the problem. In reality the Thai side has only redispensed its troops, it did not completely withdraw from the Lao territory. Under international and internal pressures, the Thai troops were pulled out from the three hamlets but they are still remaining in the vicinity of the area. Worse still, before moving out of the hamlets, the Thai troops had forced at gunpoints the local Lao people to resettle in the Thai soil, and later, they declared that those Lao people have voluntarily fled their homeland. No sensible man could be misled by such ridiculous story. How could it be that anyone would willingly leave behind one's property only to resettle in a miserable camp unless that person was forced to do so, the paper underlined.

Most of the returnees who fled from the Thai "Huai Yang camp" unanimously reported that they were maltreated, including the raping of Lao women. Basing on the stories of the returnees, it is easy to clearly understand the fallacy "volunteer resettlement" claimed by the Thai officials.

It is a common knowledge that what Thailand has done as regard to the Lao-Thai border problem in the said localities is an attempt to perpetuate and concretise the known a pan-Thaism policy. It is certain that the way to solve the pending problem is for the Thai to completely withdraw its troops from the Lao territory, not any other way which Thailand seems to have grown accustomed to in following a hegemonist path, concluded the paper.

PRESS RELEASE ON INDOCHINESE COOPERATION

BK281145 Vientiane KPL in English 0914 GMT 28 Dec 84

[Text] Vientiane, December 28 (OANA-KPL) -- A press release on the fourth session of the Lao, Vietnamese and Kampuchean commissions for economic and cultural cooperation was published here today by the daily PASASON.

The press release dealt with the achievements of economic and cultural cooperation between the three Indochinese countries as summed up by the chairmen of the three commissions during the session here from Dec 23-26.

The chairmen of the three countries' commissions expressed their satisfaction between the three countries, which is being promoted in conformity with the principles of the Indochinese summit conference held here in Feb 1983. [sentence as received]

The press release described the success of the economic, cultural, scientific and technical cooperation among the three countries in 1984 as having contributed to their common efforts towards better utilization of the potentials, resources and material and technical basis of their respective countries.

This would facilitate the three countries to utilize more effectively the assistance of the Soviet Union and other countries and international agencies. "The successful cooperation has resulted from the special friendship and solidarity of the three countries based on Marxism-Leninism. It has consolidated the special ties of the three countries and contributed to foiling all dark-schemes of the Beijing hegemonists and expansionists who are colluding with the U.S. imperialists and other reactionary gangs to weaken the three Indochinese countries," wrote the press release.

With a view to enhancing and strengthening the tripartite special relations and developing their respective national economy, the chairmen of the commissions of Laos, Vietnam and Kampuchea have agreed to do their best to fulfill the 1984-85 cooperation plan and to coordinate the drafting of the 1986-90 five-year plan and other long-term cooperation projects among the three countries.

PHOUMI VONGVICHIT RECEIVES CPSU DELEGATION

BK261216 Vientiane KPL in English 0910 GMT 26 Dec 84

[Text] Vientiane, December 26 (OANA-KPL) -- Phoumi Vongvichit, Political Bureau member of the Lao People's Revolutionary Party CC, hailed the Lao-Soviet cooperation, and particularly their cultural cooperation at a meeting here on Dec. 25 with a cultural delegation of the CPSU CC led by Afanasyev, deputy head of its Cultural Commission.

During his friendly and cordial discussion with the Soviet guests, P. Vongvichit, who is also vice-chairman of the Council of Ministers in charge of cultural work, highly appraised the existing cultural relations between the USSR and Laos, and discussed with his guests ways to further strengthen Lao short and long-term cooperation with the USSR.

The Lao leader also seized this occasion to express, on behalf of the party, government and people of Laos, their condolences over the passing away of Marshal Dmitriy Ustinov, Political Bureau member of the CPSU CC and minister of defence of the USSR, saying that the death of Comrade D. Ustinov, a beloved leader of the Soviet people and a great friend of the Lao people, is a big loss for the Soviet as well as the Lao peoples.

The Lao minister of culture, Thongsing Thammavong, and the Soviet ambassador to Laos, Vladimir Sobchenko, were also present at the discussion.

Earlier on the same day, the Soviet delegation had a working session with a delegation of the LPRP CC's Propaganda and Training Commission.

REPORTAGE ON CONTINUING NONG SAMET BATTLE

BK020112 Bangkok THAI RAT in Thai 2 Jan 85 PP 1, 16

[Excerpts] Fierce fighting between Vietnamese-Heng Samrin and Khmer serei soldiers continued on the night of 31 December and early 1 January in the areas opposite Thailand's Ban Nong Samet, Ta Phraya District, Prachin Buri Province. The fighting occurred east, west, and south of the Nong Samet camp where the Vietnamese now control about 80 percent of the area. The Khmer serei group under Liv Ne and Vietnamese-Heng Samrin soldiers exchanged fire, including 75-mm recoilless rifles, 60- and 81-mm mortars, AK-47's and RPG's, while the Vietnamese also received support from 130- and 105-mm artillery pieces and 5-54 tanks. The Khmer serei retreated in disarray under a vigorous attack that lasted from 2200 on 31 Dec until 0200 of 1 January [1055 to 1900 GMT 31 Dec]. The Khmer serei suffered heavy casualties -- more than 30 killed and 40 wounded. The Vietnamese casualties are unknown.

Meas Sapeu, leader of a Khmer serei unit under Ban Tai that operated south of the Nong Chan camp, reported to newsmen on the current fighting, saying intensive attacks by Vietnamese heavy weapons forced resistance fighters to withdraw from the fighting zone to avoid heavy casualties. He added that more than 4,000 Vietnamese soldiers are now occupying Nong Samet camp, forcing the Khmer serei forces to employ guerrilla tactics. The fighting slowed down somewhat the next morning.

Colonel Chainarong Nunphakdi, deputy commander of the eastern force, informed Thai and foreign journalists at 1100 [0400 GMT] at Ban Nong Samet that heavy fighting was continuing to the south and north, particularly near Ampil camp, which is opposite Thailand's Ban Saeng, Tambon Khlong Hat, Watthana Nakhon District. The Vietnamese are expected to continue to apply pressure against Ampil camp until the rainy season begins.

Meanwhile on the afternoon of 31 December, a unit of about 20 Vietnamese on an armed patrol intruded 2 km across the border near border post No. 50 at Tambon Dong Ngu, in Aranyaprathet District, and clashed for about 30 minutes with Thai soldiers. Thai soldiers suffered no casualties.

Lieutenant General Phichit Kunlawanit, commander of the 1st Army region, disclosed on 1 January that fighting in Kampuchea has been continuous. He said the Khmer resistance has recaptured two-thirds of Nong Samet camp. He expects a large-scale Vietnamese offensive this dry season, reasoning that fighting is already intense and the dry season has just begun.

PREM NEW YEAR ADDRESS DISCUSSES ECONOMIC WOES

BK011105 Bangkok Domestic Service in Thai 1300 GMT 31 Dec 84

[New Year Address 31 December by Prime Minister General Prem Tinsulanon -- recorded]

[Excerpts] Although the situation in the country in the past year was a mixture of happiness and sadness, the overall situation can be regarded as peaceful and orderly. There were no serious incidents which disrupted the process of the country's major affairs.

In international political affairs, it is pleasant to note that we were able to preserve the country's status, prestige, and interests rather well. What the entire country is proud of is Thailand's first-ever successful election to the UN Security Council. We hope that our representative in the UN Security Council will have the opportunity to fully perform his duty on behalf of our country in this important and prestigious body.

On the domestic front, affairs can be said to have progressed in an orderly manner to the extent that things are satisfactorily stable. It is to be hoped that cooperation among us will help bring further progress toward a political climate that is completely peaceful, which is the key for the entire nation to successfully progress toward effective development of our social and economic plans.

On national defense, in the past year the Thai Armed Forces have developed into powerful regular forces for national defense and honor. Moreover, the Armed Forces and the various military-organized mass organizations played a very important role in contributing to virtually every aspect of national development.

The economy is a major national issue. Although the country, as a result of the global economic crisis, did not achieve desirable economic success in the past year, the country's economy was not that bad. The economic growth rate was quite satisfactory, while inflation was the lowest for 12 years. This enabled most of us to perform well within our respective economic areas. Our free trade policy contributed to effectively stimulating the marketing and export mechanism, enabling our fraternal farmers to increase their productivity and to receive fair prices in accordance with the world market situation.

The trade deficit has been a problem for the past 20 years, but it has now reached the stage where it cannot be allowed to continue unchecked. Careful and courageous decisions are needed to avoid our economic system from going irretrievably bankrupt. The basic problem which caused the monetary deficit was tying our currency to the U.S. dollar. This action was, at one time, correct and proper and benefited the country's economy. Now, however, such action is of little benefit, and has caused many undesirable events in our national economic system. The majority of your fraternal fellow citizens are already aware of this. These undesirable factors became more serious and caused greater confusion and losses, to the point that we decided to free our currency from the U.S. dollar to let it float and find its own proper value vis a vis other major currencies. On this issue, I wish to reiterate that the government decided carefully and thoroughly, both in accordance with reality and economic principles that the adjustment of the currency exchange system was the best solution to the current situation, given the time factor and the great deficit problem.

I wish to say that the measures which the government has already taken to solve the trade deficit problem are not enough. Other measures are necessary. What all of us must do earnestly and continuously can be summed up in three measures -- practice austerity, increase consumption of domestic products, and cooperate in promoting exports. These represent the correct path toward solving the deficit problem. Although to date the government and the private sector have cooperated to solve many export related problems, such as minimizing export procedures, speeding up tax returns and improving export credits, they are not enough and more measures are needed, especially systematic cooperation from all sectors. This cooperation will be regarded as a major government policy in the drafting of the national export plan which is to be implemented as soon as possible. In the national export plan, the government will accelerate the adjustment of essential export support measures for continued effectiveness, particularly in market penetration, cost cutting, quality improvement, and the availability of service and conveniences in support of exports. In addition, the government has appointed a group comprised of government and private sector officials to study appropriate measures to achieve the goals of austerity, consumption of domestic products and export promotion mentioned earlier.

This is what the government has done and will continue to do for our beloved country's progress. I always believe that no action will achieve success without cooperation from the people in all sectors. Therefore, I take this opportunity to ask for cooperation from all of you once again.

Dear fraternal people, what our country needs very strongly now is for the people to think rationally and apply these rational thoughts and constructive initiatives to mobilize ideas to solve problems, taking into account academic principles and reality, in order to reach a conclusion on completely and peacefully solving the country's major problems.

ATHIT NEW YEAR ADDRESS ON DUTIES OF ARMED FORCES

BK010921 Bangkok Domestic Service in Thai 1300 GMT 31 Dec 84

[Text] General Athit Kamlang-ek, supreme commander and army commander, said in his New Year address that all members of the Thai Armed Forces and police whose duties are to maintain peace and order and defend the country will do even better in the coming year in carrying out the assignments entrusted by the government and their commanders so that the people will feel secure and confident that they can truly depend on the state authorities and overcome all problems.

The supreme commander and army commander extended his best wishes to the fraternal people and reaffirmed that every soldier and policeman will make sacrifices to enable the people to earn their living and contribute to the development of the country's economy which will result in the well-being of everyone on Thai soil.

PRASONG ON SOVIET THREAT IN SOUTHEAST ASIA

BK311552 Bangkok BANGKOK POST in English 1 Jan 85 pp 1, 3

[By The Chongkhadikij]

[Text] Soviet Russia has stepped up its air power over Southeast Asia with the stationing of 14 MiG-23 fighter-interceptors at Cam Ranh Bay base -- the first time this highly technologically developed aircraft type has been introduced into the region.

Expressing concern over the planes addition to Moscow's military might in the southern part of the Asia-Western Pacific area, Squadron Leader Prasong Sunsiri, secretary-general of the National Security Council, warned that their presence has increased the threat to peace, security and stability of the ASEAN and other noncommunist countries in Southeast Asia. He said that as a consequence of the growing Russian presence Vietnam is getting tighter into the Kremlin's grip, especially with the Vietnamese economy being severely drained by the invasion and occupation of Kampuchea and Hanoi's neglect of domestic agricultural and industrial development. He foresaw the dangerous possibility of direct Soviet intervention in Kampuchea if the Vietnamese forces in Kampuchea could not subdue the resistance forces and subjugate the Khmer populace.

The NSC chief also revealed that in November the Soviets had brought in another seven TU-16 medium bombers to increase the number of these planes at Cam Ranh Bay to 16. Also as part of the intensified power of the USSR Air Force unit at the base are eight TU-95 electronic intelligence surveillance planes and TU-142 antisubmarine patrol planes. He also disclosed that the Russians had been expediting development of logistical and other facilities at Cam Ranh Bay, including the building of more hangars, oil depots, storage bins for air-to-surface missiles and improving the capability of ground stations for communications via satellites.

In addition to the enhanced air power, Sqdr Ldr Prasong reported, the naval force has been augmented with both surface vessels and submarines, and its flexibility has been strengthened by movements of Minsk class aircraft carriers and Ivan Rogov class troop carrying amphibious assault vessels. The Soviets are bolstering their military posture in Southeast Asia to a level threatening the peace of the region and the sovereignty of countries in the area, although none of the other big powers have made any move to strengthen their forces in this part of the world, the NSC official remarked.

He commented that this fact should be given special attention at a time when disarmament talks between the United States and the Soviet Union are about to be resumed at Geneva. The burgeoning Soviet presence in Vietnam should worry not only the Vietnamese themselves and the Southeast Asian nations but also China, Japan and the United States.

Sqdr Ldr Prasong predicted that the strengthened Soviet presence in Vietnam would force Hanoi to face up to the danger posed to its independence and sovereignty in the near future. The estimated three million U.S. dollars of daily Soviet military assistance to Vietnam which helps it annex Kampuchea is considered a "low price" to pay for taking over and using Cam Ranh base.

Despite their large troop numbers and their better equipment including artillery, tanks and aircraft, the Vietnamese have been unable to defeat the forces of the Democratic Kampuchea Coalition Government which is punishing them with guerrilla tactics and causing them to be stuck in the kind of morass into which the Americans stumbled in the Vietnam war, Sqdr Ldr Prasong said. The attacks the Vietnamese had made on civilian refugee camps along the Thai border had earned them unfavourable international reaction, he added.

All this is taking place while the Vietnamese Government is facing the problems of pockets of rebellion in the central and southern portions of Vietnam as well as economic and financial difficulties caused by lowered agricultural production, shortage of skilled labour for industry, lack of foreign exchange, huge foreign debts amounting to an estimated 6,000 million U.S. dollars (including 4.5 million from the USSR), and unwillingness by the World Bank and International Monetary Fund to extend further credit.

Sqdr Ldr Prasong commented that Vietnam had "made its mistakes from the beginning when it devoted its material resources and manpower to military adventures instead of to national development, and getting itself into the Russian bear's unrelenting embrace."

NHAN DAN ON 1984 INDOCHINA MILITARY SITUATION

OW020805 Hanoi VNA in English 0701 GMT 2 Jan 85

[Text] Hanoi VNA January 2 -- In an article reviewing the 1984 military situation on the Indochinese peninsula, NHAN DAN today reaffirms that last year marked a further strengthening of the defence posture of all the three countries, Vietnam, Laos and Kampuchea.

The peoples and armies of all the three countries have taken one step further in defeating the schemes and acts of aggression of the Chinese expansionists and hegemomists, firmly maintaining their revolutionary gains.

In the past year, while carrying on their multi-faceted war of sabotage against the Vietnamese people, the Chinese expansionists escalated their land-grabbing war on the northern border of Vietnam.

Along its 1,400 kilometers of border with Vietnam, China is permanently stationing a great many divisions armed with artillery, missiles and aircraft. On April 2, 1984, China launched a large-scale artillery attack all along its border with Vietnam. In the period from April 2 to April 27, with dozens of regiment-sized artillery units and hundreds of mortars, the Chinese expansionists fired more than 60,000 artillery rounds on populated areas in 16 border districts.

Correctly assessing the enemy's plan and standing ready to fight, the people and Army in the border areas immediately hit back and inflicted heavy losses on the aggressors.

Also in that period, Chinese troops made ground incursions into Vietnamese defence positions in Trang Dinh (Lang Son Province), Ha Lang (Cao Bang Province) and Yen Minh (Ha Tuyen Province). But they were quickly repulsed. Worthy of note were the battles at Trang Dinh on April 6 where the enemy was beaten back from Hill 820, and the counter-attacks against the Chinese land grabbers on September 18 at Hill 1250 in Yen Minh.

The Vietnamese Army and people destroyed in all 12 artillery grounds of the enemy, set afire four warehouses and dozens of military vehicles, and firmly defended their posts along the border.

After this bitter setback, China sent more reinforcements to the border. At first, it sent two Army corps, then gradually increased its troop strength to six Army corps, each comprising about 50,000 men. This, together with the three Army corps in the Kwangchou great military zone, posed a constant threat to the Vietnamese provinces of Lang Son and Cao Bang. At the same time, China used two plus-sized Army corps of the Kunming great military zone to attack and occupy some heights in Vi Xuyen and Yen Minh Districts of Vietnam, chiefly in Vi Xuyen District.

On April 28, the Chinese launched their attacks directed at Vietnamese border positions, using more than 500 artillery pieces installed at 40 different emplacements to concentrate their barrages on small areas before sending "human waves" in an attempt to overrun the Vietnamese positions.

But they ran into a stiff and unexpected resistance. The defenders fought heroically to defend each inch of land, defying the intense artillery fire of the enemy totalling more than 400,000 rounds. As the fight dragged on, the Chinese sent in more troops but still failed to consolidate their foothold. The three regular Army Corps of the enemy were virtually bogged down. Up to this day, the Vietnamese Army and people have put out of action more than 8,300 enemy troops, destroyed 350 artillery pieces, set ablaze 200 military vehicles, 7 arms depots and demolished a large quantity of other military equipment.

Through the recent battles, the Vietnamese Army and people have better understood the enemy's scheme and tactics and have found the appropriate way of counter-attack which helped them effectively cope with the land-grabbing war of the Chinese.

On the other theatres along the northern border the Chinese have increased acts of infiltration and scouting. But all the groups of intruders were captured.

On the battlefield of Kampuchea, in the 1983-1984 dry season, the Kampuchean Armed Forces and people assisted by the Vietnamese Army volunteers have won the biggest victory since February, 1979. They have destroyed a number of enemy bases on the Kampuchea-Thai border, cut their supply routes, put out of action more than 5,000 troops, smashed the bandit lairs inside Kampuchean territory, thus accelerating the disintegration of the genocidal Pol Pot gang. In the wet season the Kampuchean Army continues to maintain its initiative of action and to attack the enemy in all the three zones.

Noteworthy is that the mass revolutionary movement of the Kampuchean people has seen a new development and the Kampuchean Revolutionary Armed Forces have grown rapidly and gained big successes in their confrontations with the enemy. In some battles, they demolished or caused the disintegration of whole battalions of the enemy. In the dry season that has set in, the Kampuchean Revolutionary Army in coordination with the Vietnamese Army volunteers have continued to strike hard at the enemy. In particular, since early December 1984 they have destroyed large enemy forces and bases on the Kampuchean-Thai border. This has been closely combined with a large agitation campaign among the enemy ranks which has yielded very satisfactory results. According to incomplete reports, since early 1984, the Kampuchean people and Army have put out of action nearly 10,000 enemy troops and destroyed or captured a sizable quantity of Chinese military equipment.

The situation is developing more and more in favour of the Kampuchean revolution. The strength and posture of the Kampuchean revolution have become steadier than ever before.

This is a victory of great significance which signals the complete collapse of Beijing's scheme against the revival of the Kampuchean people.

In Laos, after the Thai Army commander's visit to China, Thailand brazenly attacked and occupied three hamlets in Sayaboury Province of Laos. This act was taken with the obvious aim of coordinating with Beijing's land-grabbing war against Vietnam's northern border areas. At the same time, China and Thailand incited the Lao reactionaries to intensify their subversive acts against the Lao People's Democratic Republic. But all their schemes met with utter failure. In the face of the courageous fight of the Lao Army and people on all fronts, military, political and diplomatic, the Thai reactionaries finally had to pull out their troops from the said hamlets and to respect the border with Laos. As in Kampuchea, the strength and posture of the Lao revolution are firmer than ever before. This is a victory of great importance of the Lao people and of all the three Indochinese peoples.

The Chinese reactionaries have not yet changed their policy towards Vietnam, Laos, and Kampuchea. Instead, they have shown an even more hostile attitude and adopted more vicious methods. They remain very stubborn and are planning new adventures. The peoples and armies of Vietnam, Laos and Kampuchea standing shoulder to shoulder are sharpening their vigilance with the firm resolve to foil all wicked schemes of the enemy and win new victories, thus contributing to the defence of peace and stability in Indochina and Southeast Asia.

CHINESE 'LAND-GRABBING ATTACKS' REPORTED

OW311611 Hanoi VNA in English 1551 GMT 31 Dec 84

["Chinese Troops Intensify Armed Provocations Against Vietnam" -- VNA headline]

[Text] Hanoi VNA Dec. 31 -- Chinese troops on those days ending December 1984 fired thousands of assorted mortar rounds at many areas in Vi Xuyen District in Vietnam's northern border province of Ha Tuyen, particularly onto Hill 685, many areas in Phong Quang Village and the Thanh Thuy cross-road.

From Dec. 21 - 25, they fired nearly 40,000 artillery and mortar rounds to cover Chinese ground troops to nibble at Vietnam's land. The local armed forces, always vigilant and combat ready, repulsed dozens of land-grabbing attacks of the enemy, killing more than 400 Chinese aggressors. They slammed heavy gunfire on the enemy's positions, destroying many shelters, ammunition dumps and artillery and mortar grounds.

PARTY, STATE LEADERS CONDOLE PRK'S CHAN SI DEATH

BK011516 Hanoi Domestic Service in Vietnamese 1430 GMT 1 Jan 85

[Message of condolences 1 January from Le Duan, Truong Chinh, Pham Van Dong, and Nguyen Huu Tho to PRK party and state leaders Heng Samrin, Chea Sim, and Hun Sen]

[Text] Respectfully to Comrade Heng Samrin, general secretary of the KPRP Central Committee and chairman of the PRK Council of State; Comrade Chea Sim, chairman of the PRK National Assembly; and Comrade Hun Sen, acting chairman of the PRK Council of Ministers, Phnom Penh:

We have learned with boundless grief that Comrade Chan Si, member of the KPRP Central Committee Political Bureau and chairman of the PRK Council of Ministers, an esteemed friend of the Vietnamese people, has passed away. On behalf of the CPV Central Committee, the National Assembly, the Council of State, the SRV Council of Ministers, and the people of Vietnam, may we extend to the KPRP Central Committee, the National Assembly, the Council of State, the PRK Council of Ministers, and the entire Kampuchean people as well as the family of Comrade Chan Si our most sorrowful condolences.

An outstanding son of the Kampuchean people and a devoted leader of the KPRP and the PRK Government, Comrade Chan Si was always loyal to the Kampuchean people's struggle against colonialists, imperialists, international reactionaries, and their henchmen, for national independence and freedom and for the people's happiness. Together with the other comrade Kampuchean party and state leaders, Comrade Chan Si mobilized the entire Kampuchean people to devote all their revolutionary zeal and creative power to defending and building the PRK. Comrade Chan Si always reserved profound sentiments for the Vietnamese people, actively contributed to developing the fraternal solidarity and multifaceted cooperation between Kampuchea and Vietnam, and constantly strengthened the militant alliance among the three peoples of Kampuchea, Vietnam, and Laos.

With boundless grief, may we share this great loss with the Kampuchean people. We firmly believe that the fraternal Kampuchean people will transform sorrow into strength, enhance their solidarity and efforts in all fields, and record many new victories in defending and building a prosperous Kampuchean nation, thereby actively contributing to peace and stability in Southeast Asia as well as to strengthening the existing fine relations between the peoples of our two countries.

The party, government, and people of Vietnam pledge to do their utmost to support the cause of defending and building the PRK and always stand shoulder to shoulder with the party, government, and fraternal people of Kampuchea in the common cause of the struggle for peace and stability in Southeast Asia and for friendship among the peoples of various countries.

Council of Ministers Notice

BK011536 Hanoi Domestic Service in Vietnamese 1430 GMT 1 Jan 85

[Notice of SRV Council of Ministers -- date not given]

[Text] The SRV Council of Ministers, with boundless grief, hereby informs all the compatriots throughout the country that Comrade Chan Si, member of the KPRP Central Committee Political Bureau and chairman of the PRK Council of Ministers, an esteemed friend of the Vietnamese people, passed away on 31 December 1984 after a period of dangerous illness.

Chairman Chan Si was a revolutionary militant who had been loyal all his life to the Kampuchean people's valiant struggle against colonialism, imperialism, and international reactionary forces, and for the independence and freedom of the Kampuchean people. A member of the Kampuchean National United Front for National Salvation, Comrade Chan Si participated in the struggle to topple the genocidal regime of the Pol Pot-Ieng Sary-Khieu Samphan clique, which eventually led to the founding of the PRK. In his important leading party and state positions of the PRK, Comrade Chan Si made great contributions to the rebirth and national development of the Kampuchean people. He constantly strengthened the militant solidarity and special relations between Kampuchea and Vietnam and among the three fraternal nations of Kampuchea, Vietnam, and Laos. He actively worked for peace and friendship among nations of the world.

In memory of Chairman Chan Si, the SRV Council of Ministers hereby decides that national mourning will be observed, that flags will be flown at half mast at all public office buildings, and that all entertainment activities will be suspended for 3 days, from 3 to 5 January 1985.

TRUONG CHINH ISSUES NEW YEAR GREETING TO CITIZENS

OW010839 Hanoi VNA in English 0724 GMT 1 Jan 85

[Text] Hanoi VNA January 1st -- On the occasion of the New Year 1985, Truong Chinh, Political Bureau member of the Communist Party of Vietnam Central Committee and president of the State Council, has sent a New Year letter to the entire Vietnamese people and Armed Forces as well as all Vietnamese living abroad. The letter reads in full:

Dear fellow countrymen, dear combatants, On the occasion of the New Year, on behalf of the Central Committee of the Communist Party of Vietnam, the State Council, and the Council of Ministers of the Socialist Republic of Vietnam, I warmly extend my best wishes and greetings to the people throughout the country, all officers and men in the People's Armed Forces, the fallen heroes' families, war invalids, hospitalized soldiers, the families of Army combatants, the families which have rendered meritorious services to the revolution, all ethnic minorities and religious people, the aged, youth and children in the country and overseas Vietnamese.

Last year, our entire people and Army overcame numerous difficulties and natural disasters, defeated the enemy's acts of sabotage, worked self-denyingly and fought heroically, and recorded new and inspiring successes which took the cause of national construction and defence strongly forward. The economic situation has gradually stabilized and is moving upward. Socio-economic management has recorded new progress. National defence and security have been consolidated.

On behalf of the party and state, I warmly praise the achievements recorded in all fields by our workers, farmers, intellectuals, Army combatants, cadres at all levels and in all branches, and the people as a whole.

On behalf of the Vietnamese party, state and people, I warmly greet and sincerely thank the Lao, Kampuchean and Soviet peoples and the people of all other fraternal socialist countries and friendly countries in the world for their constant and valuable support and assistance to the Vietnamese people.

Embarking on the New Year, in the light of the resolution of the 7th Plenum of the Central Committee of our party, let our people and combatants strengthen their solidarity, promote their sense of socialist collective mastery and spirit of self-reliance and self-support, develop their creativeness to improve management and step up and broaden the revolutionary emulation movement aimed at higher productivity, quality and efficiency. Let us step up the socialist transformation, consolidate and perfect the new relations of production, develop and defend production, practise economy, combat all negative manifestations, stabilize and improve the people's life with the firm resolve to achieve a new change for the better in the socio-economic situation.

Let us raise our vigilance, strengthen national defence and security, smash all acts of land-grabbing and sabotage by the enemy, resolutely defend the independence, sovereignty, unity and territorial integrity of the motherland, discharged well both strategic tasks of successfully building socialism and firmly defending Socialist Vietnam, and at the same time fulfil our internationalist obligation and actively contribute to the world people's struggle for peace, national independence, democracy and social progress.

Let the entire people strive to make the 1985 State Plan a success as a practical deed to mark the major anniversaries in this year, with the firm resolve to rebuild our country and make it more beautiful according to the wish of our beloved President Ho Chi Minh.

PHAM HUNG GREETES VAN TIEN DUNG ON VPA ANNIVERSARY

BK271126 Hanoi Domestic Service in Vietnamese 0500 GMT 20 Dec 84

[Letter issued on 20 December from Pham Hung, member of CPV Central Committee, vice chairman of the Council of Ministers, and minister of interior, to General Van Tien Dung, member of CPV Central Committee Political Bureau and minister of national defense]

[Text] On the 40th anniversary of the founding of the VPA, 22 December 1944-22 December 1984, on behalf of the Ministry of Interior leadership and all cadres and combatants of the Vietnamese People's Public Security Forces, may I extend to you, Comrade Minister, and all cadres and combatants of the heroic VPA my most cordial salutations of militant solidarity and my warmest and best greetings.

During its 40 years of building, fighting, and development, the VPA, owing to the attention, leadership, education, and training given by the party and boundlessly venerated and beloved Uncle Ho, and enjoying the people's wholehearted love and protection, has constantly grown, repeatedly achieved great exploits, scored glorious victories in its fight against the aggressors for national defense, and defeated the French colonialists, the U.S. imperialists, and the Chinese expansionists and hegemonists. Together with the entire party and the people, the VPA recorded heroic and historic achievements for the nation in the resounding Dien Bien Phu victory, the historic Ho Chi Minh campaign, and the two wars of national defense at the northern and southwestern borders of the country, thereby firmly defending national independence and sovereignty and outstandingly fulfilling its international duty toward the fraternal peoples of Laos and Kampuchea.

As an armed force of the people, by the people, and for the people, the VPA has always been worthy of venerated and beloved Uncle Ho's teachings: Be loyal to the party and devoted to the people, fulfill any tasks, overcome any difficulties, and vanquish any enemies. In keeping with its traditions of fighting and development, throughout the past 40 years the VPA has always upheld the spirit of solidarity and coordinated its combat activities with the People's Public Security Forces on the front of protection of political security and public order and safety. At present, the Chinese reactionaries in collusion with the U.S. imperialists are feverishly conducting a multifaceted war of sabotage against Vietnam in attempt to weaken us and, eventually, to annex our country when conditions are ripe. The VPA and the People's Public Security Forces are the twin brothers of the Vietnamese revolution, the sharp and reliable tools of our party and our state in the struggle against domestic enemies and foreign aggressors for the defense of the working people's right to collective mastery, and the main assault forces in the mass movement to struggle against the enemies' multifaceted acts of sabotage.

The People's Public Security Forces pledge to further strengthen solidarity and coordinate even more closely with the VPA, together with the entire party and the entire people, so as to resolutely frustrate all schemes and acts of aggression and sabotage of the enemies, firmly maintain political security and public order and safety, and successfully carry out the two strategic tasks, namely successfully building socialism and standing ready to fight to firmly defend the socialist Vietnamese homeland.

The annals of the VPA's fighting have gone down in the history of the glorious revolutionary struggle of our entire people. The VPA's 40th founding anniversary is an anniversary of important significance to our entire party and people. On the occasion of this grand anniversary, all cadres and combatants of the Vietnamese People's Public Security Forces would like to wish all the VPA cadres and combatants constant development of their fine character and glorious traditions acquired during the past 40 years, vigorous promotion of the determined-to-win emulation movement, and many more brilliant exploits and many more outstanding and greater achievements in building and fighting, thereby forever remaining worthy of being the heroic Army of the heroic Vietnamese nation. May we extend to you and all the VPA cadres and combatants our salutation of solidarity and determination to win.

HO CHI MINH AWARD CONFERRED ON USSR'S RUSAKOV

BK301631 Hanoi VNA in English 1508 GMT 30 Dec 84

[Text] Hanoi VNA December 30 -- The Vietnamese State Council has decided to confer the Order of Ho Chi Minh on Konstantin Viktorovich Rusakov, secretary of the Central Committee of the Communist Party of the Soviet Union.

The decision, signed on Dec 29 by Truong Chinh, president of the State Council, says that the conferment was made in acknowledgement of Rusakov's outstanding contributions to consolidating and developing the great friendship, militant solidarity and allround cooperation between the Soviet Union and Vietnam and on the occasion of his 75th birthday.

PHAM VAN DONG RECEIVES KAMPUCHEAN DELEGATION

OW311723 Hanoi VNA in English 1541 GMT 31 Dec 84

[Text] Hanoi VNA Dec. 31 -- Pham Van Dong, Political Bureau member of the Communist Party of Vietnam Central Committee and chairman of the Council of Ministers, received here today an economic delegation of the Kampuchean Government led by Minister Tang Saroem now on a friendly visit to Vietnam. Present at the reception were Minister Dang Thi, member of the party CC, and Kampuchean Ambassador to Vietnam Sieng Saran.

Speaking on the occasion, Chairman Pham Van Dong welcomed the fine results of the fourth session of the Vietnam-Kampuchea Sub-Commission for Economic, Cultural, Scientific and Technical Cooperation. He expressed his conviction that the special militant solidarity and friendship between Vietnam and Kampuchea would further consolidate and develop in the interests of economic development in each country and the prosperity of the three Indo-chinese countries.

In reply, Minister Tang Saroem thanked the Vietnamese party, government, and people, especially Vietnamese specialists now working in Kampuchea, for their devoted assistance to the Kampuchean people in their national revival and economic development. He said he greatly rejoiced at the consistent development of economic cooperation between the two countries. The reception took place in a cordial and friendly atmosphere.

SRV-KAMPUCHEA COOPERATION AGREEMENT SIGNED 31 DEC

OW311734 Hanoi VNA in English 1550 GMT 31 Dec 84

[Text] Hanoi VNA Dec. 31 -- An agreement on economic, cultural, scientific and technical cooperation between Vietnam and Kampuchea for 1985 was signed here this afternoon. Signatories were Dang Thi, member of the Communist Party of Vietnam Central Committee, cabinet minister and head of a Vietnamese Government delegation; and Minister Tang Saroem, head of a Kampuchean Government delegation.

The signing ceremony was attended by Vo Van Sung, assistant to the Vietnamese foreign minister, Kampuchea Ambassador Sieng Saran, and others.

COUNCIL OF MINISTERS ON ECONOMIC INTEGRATION

BK290907 Hanoi Domestic Service in Vietnamese 0500 GMT 24 Dec 84

[Text] The Council of Ministers recently issued a decision on organizing activities related to economic integration. The decision points to various matters of common principle encouraging the extensive application of various forms of economic integration among all production, business, and service units and sectors, as well as among state-operated, collective, and family economic components, aimed at intensifying the division of specialization and cooperation and improving the quality of this work.

The contents of economic integration include cooperation in production assignments; supply of raw materials, application of advanced science and technology; exchange of manpower, machinery, and materials when necessary; and transportation and consumption of products. The most basic guideline at present is the integration of material and technical factors in order to expand production, thus ensuring more products for society and massive accumulation for the state and improving the people's livelihood.

To ensure that integration-related activities are steadily carried out and that favorable conditions are created for vigorous management by the state, appropriate organizational forms of integration should be adopted from low to high levels.

The decision also stipulates concrete policies concerning the prices of products, the distribution of profits, the consumption of products, the implementation of economic contracts, and the investment in business under the form of economic integration in accordance with various documents of the Council of Ministers currently in force.

MARCOS CALLS FOR DIALOGUE IN NEW YEAR'S MESSAGE

OW311351 Quezon City RPN Television Network in English 1100 GMT 31 Dec 84

[From the "Newswatch" program]

[Text] All Filipinos should welcome the new year with a renewed faith in themselves and work for a bright and prosperous future. This appeal is contained in the president's New Year's message to the nation. The president's message includes a call to all his critics to leave bitterness and anger behind and to return to the democratic means of dialogue.

At the same time the president has cautioned against complacency in these difficult times. [Video cuts to Marcos seated at desk flanked by flags with a crest above his head]

[Begin Marcos recording] (?Desire) for change in our society. This is the venue where we must (?contain) and finally join together. I will say to those who are embittered: Let us leave behind all this anger, this personal bitterness, and together let us return to the democratic dialogue between us, for therein lie our hopes for peaceful and constructive change.

I would ask all our people to do all to secure the best from all our institutions and traditions, from all that they can teach and give us. Yesterday's trials and tragedies are not ours to prevent and contain any longer. But tomorrow's challenges are ours to win or lose on our own. [end recording]

AFP Report

HK310622 Hong Kong AFP in English 0530 GMT 31 Dec 84

[Excerpt] Manila, Dec 31 (AFP) -- President Ferdinand Marcos warned today that it would need another year before there were firm signs that the Philippines was on the road to economic recovery.

The president addressed the nation in a seven-minute taped television appearance which marked his traditional end-of-the-year greeting. Mr Marcos wished Filipinos "a prosperous new year", but added that the country's economic crisis, the worst since World War II "is not fully behind us". "We have succeeded in putting together a long-term recovery programme... but it is in 1985 that we will fully see the real signs of recovery and the stability of our economic relations with the world," he said.

Mr Marcos stumbled uncharacteristically at times in his address, but his voice sounded stronger than in a similar taped message he made before Christmas.

MARCOS SAYS HIGH INFLATION ERA 'DEFINITELY OVER'

HK300042 Manila Far East Broadcasting Company in English 2300 GMT 29 Dec 84

[Text] The present high prices of basic goods and services will definitely taper off in the coming year, 1985. President Marcos yesterday [29 December] said the high prices of basic goods and services will definitely taper off in 1985 with the implementation of several anti-inflationary measures.

In a year-end assessment of the economy, the president said the regime of high inflation, which hit an average of 50 percent for the entire year of 1984, is definitely over as the government sets in motion its machinery to roll back high commodity prices. He cited three factors which will result in the rapid decline of inflation of prices.

The first element contributing to the decline in inflation is the projected rollback of fuel prices on January 14, 1985. The rollback of fuel prices, according to the president, will lower the cost of production of many basic commodities including electric power generation. The second reason for an inflation slowdown is the virtual disappearance of the dollar black market, which reflects renewed confidence in the peso. The president said that the third factor is the reduction, effective January 1, of the special import surcharge from 10 to 5 percent. The president said that as this reduction affects all imports of merchandise, there will be a significant favorable impact on the cost of manufactured goods.

PROVINCIAL GOVERNOR SERIOUSLY WOUNDED IN AMBUSH

HK020858 Hong Kong AFP in English 0835 GMT 2 Jan 85

[Text] Manila, Jan 2 (AFP) -- Communist insurgents today ambushed a provincial governor and his family, killing his three-year-old son and seriously wounding the governor, his wife, family driver and a soldier escort, the PHILIPPINE NEWS AGENCY (PNA) reported.

The party of Abra Governor Andres Bernos was attacked at a river crossing in La Paz town, some 340 kilometers (204 miles) north of here in Abra Province, PNA said. PNA quoted witnesses as saying the assailants opened fire from both banks of the river but the driver managed to drive through despite gunshot wounds in the neck.

Troopers were today combing the area for the armed men, PNA added.

Military spokesmen here could not immediately confirm the report.

LIBYAN OFFICIAL DENIES SUPPORT FOR TERRORISTS

HK290505 Quezon City Maharlika Broadcasting System in English 0400 GMT 29 Dec 84

[Text] In Iligan City, visiting Libyan official has denied what he said were Western press reports accusing his country of aiding the MNLF and other terroristic activities in the Philippines. In talks with newsmen in Iligan City, Libyan People's Bureau chief (Samed Adem) said his government has not been supporting these movements.

The banned MNLF, whose leaders are based abroad, has been waging a political and armed offensive against the Philippine Government since 1972 for the secession of the southern islands of Mindanao, Sulu, and Palawan and the establishment of a separate state.

(Adem) said Libya has not interfered in the internal affairs of the Philippines, adding that his country respects the agreement between the two countries signed in 1976 in Tripoli.

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